

**NLWJC - KAGAN**

**EMAILS RECEIVED**

**ARMS - BOX 023 - FOLDER -009**

**[01/30/1998 - 02/02/1998]**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 18:47:05.00

SUBJECT: Tobacco Budget and Q&A.

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Two items:

1. I heard from a Senate staffer who attended a briefing Jack Lew did on the budget today that Jack described our proposed tobacco budget as a "floor." I have been saying it is neither a floor or ceiling, it is the amount experts tell us is necessary to reach the youth targets.

2. At a meeting yesterday you said our budget contains the same \$26B over 5 years for states that was in the 6/20 deal (\$4 - \$4.5 - \$4.5 - \$6.5 - \$6.5). Presenting this fact will provide groups a number to subtract from the "other uses" and highlight that there may not be the \$\$ they hoped for for tobacco control or growers. On the other hand providing the number may be reassuring to the states. Your call. I wanted to make sure you focused on it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 19:32:17.00

SUBJECT: Re: Bonus Reg and the term "illegitimacy"

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

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:

He says it so much more succinctly than I do. I will fight back, but Elena -- be on the alert for a possible Sally Katzen call.

Bruce N. Reed

01/30/98 06:31:46 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc:

Subject: Re: Bonus Reg and the term "illegitimacy"

We should absolutely insist on illegitimacy. Moynihan would die if he knew we were being politically correct here.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Marjorie A. Black ( CN=Marjorie A. Black/OU=PIR/O=EOP [ PIR ] )

CREATION DATE/TIME:30-JAN-1998 22:26:46.00

SUBJECT: Weekly Report To The President

TO: Edley ( Edley @ law.harvard.edu @ inet [ UNKNOWN ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Robert B. Johnson ( CN=Robert B. Johnson/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

TO: Sidney Blumenthal ( CN=Sidney Blumenthal/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

TO: Peter Rundlet ( CN=Peter Rundlet/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Angelique Pirozzi ( CN=Angelique Pirozzi/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

TO: Thurgood Marshall Jr ( CN=Thurgood Marshall Jr/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

TO: Jon P. Jennings ( CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

TO: Doris O. Matsui ( CN=Doris O. Matsui/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

TO: Trooper Sanders ( CN=Trooper Sanders/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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



**MEMORANDUM FOR THE PRESIDENT**

**FROM:** JUDITH A. WINSTON

**THROUGH :** ERSKINE BOWLES  
SYLVIA MATHEWS

**SUBJECT :** PRESIDENT'S INITIATIVE ON RACE WEEKLY REPORT  
JANUARY 24 - JANUARY 30

---

**ADVISORY BOARD ACTIVITIES**

**February Advisory Board Meeting.** The next Advisory Board Meeting will be held in Northern California on February 10-11. On February 10, Advisory Board members will visit Promising Practices sites in the San Francisco, Oakland, and East Palo Alto communities. DOEd Secretary Richard Riley will participate by visiting a San Francisco Promising Practice site - - Glide Memorial Baptist Church - - that focuses on job training for the needy. The Advisory Board will end the day by hosting a 90 minute community forum in San Jose in which the public will have the opportunity to raise views and concerns on issues surrounding race.

On February 11, Advisory Board members will convene in San Jose to conduct their sixth monthly meeting. The topic of the meeting is "Race and Poverty." The expert panel discussion will focus on the relationship between racial segregation, poverty, and the persistent lack of opportunities for those who live in poor, concentrated neighborhoods. The first panel will focus on national issues and invited participants include William Julius Wilson from Harvard University and Douglas Massey from the University of Pennsylvania. The second panel will focus on local issues and solutions and will include local, state and area program experts who can address welfare and community development issues.

**NAACP Legal Defense Fund.** On January 23, Chairman Franklin addressed the Board of Directors of the New York Chapter.

**State of the Union Address.** On January 27, Chairman Franklin attended the State of the Union address as the invited guest of the First Lady and was honored to be seated in the First Lady's Box.

**Glasgow Middle Schools.** On January 27, Linda Chavez-Thompson spoke with students, parents and school administrators at Glasgow Middle Schools in Alexandria, Virginia. She engaged the group in a conversation on racial diversity and the effect it has had on them. Channel 21 and Channel 8 covered the event. This was her third visit to schools in Northern Virginia - - she has visited an elementary, middle and high school.

**Children's Defense Fund.** On January 28, Rev. Suzan Cook met with the Children's Defense Fund to discuss policy issues affecting children and racial inequities.

**U.S. Conference of Mayors.** On January 29, Rev. Suzan Johnson Cook spoke before the U.S. Conference of Mayors in Washington, D.C. She challenged them to continue and expand their involvement in the President's Initiative on Race, including hosting One America Conversations in their cities.

**Maplewood/South Orange Racial Balance Task Force.** On January 29, Governor Kean spoke about the Initiative to an audience of approximately 200 people. The forum was the fourth in a series of forums on race, organized by the Task Force, to foster and further racial harmony.

**Alliance of Asian Pacific Administrators.** On January 31, Angela Oh spoke about the Initiative to an audience of principals and other administrators from the Los Angeles Unified School District at their 3rd annual conference.

## OFFICE OF THE EXECUTIVE DIRECTOR

### COMMUNICATIONS

**Meetings.** Members of the PIR staff met with four members of the International Association of Official Human Rights Agencies Board (IAOHRA), including its President, Bill Hale, of the Texas Human Rights Commission. IAOHRA's membership includes 95 percent of all human and civil rights agencies throughout the country at the city, county and state level. We discussed ways in which PIR could work with IAOHRA, particularly with regard to identifying promising practices and recruitment of leaders.

**National Press.** The LA Bureau of CBS Evening News Weekend Edition has expressed an interest in producing a feature story on the

Initiative during the month of February.

**Specialty Press.** National Newspaper Publishers Association and Ofield Dukes & Associates plan to run a feature story on me and my work with the PIR. The story will appear in minority owned - - mostly African-American - - weekly papers and magazines during the month of February. Their distribution market covers 200 media markets around the country.

## OUTREACH

**Corporate Leaders.** The third Corporate Forum occurred on January 30, at the Biltmore Hotel in Los Angeles. It was hosted by Secretary of Commerce William Daley. Maria Echaveste and Advisory Board members Angela Oh and Robert Thomas participated as well.

**Meetings.** Members of the Initiative staff met with a group of 35 students and a Professor of Psychology representing Whitworth College in Spokane Washington. Their meeting with the PIR staff was the last stop of a three week, cross-country study tour focusing on prejudice and racism in American society. They shared ideas on how best to engage youth across America in the work of the Initiative, and they also agreed to participate in our Campus/Community Week of Dialogue in April. We plan to highlight their "Prejudice Across America" study tour as one of our Promising Practices.

## RESEARCH AND POLICY PLANNING

**Letter Regarding the December Advisory Board Meeting.** We forwarded a letter to you from Dr. John Hope Franklin which provides feedback on behalf of the Advisory Board on lessons learned at their December Advisory Board meeting, which focused on issues of race in primary and secondary education. The letter expresses the Advisory Board Members' concerns about the continuing racial disparities in education and the Board's support for several upcoming policy announcements, including the college-school partnerships initiative. The letter also offers some additional education policy recommendations. A copy is attached.

**Campus/Community Week of Dialogue.** We have expanded our conversations with the higher education community concerning our planned week of racial dialogue and activities on university campuses, which is scheduled for April 6-9. While we expect even greater participation, the Association of American Colleges and Universities (AAC&U) has pledged to promote active, substantial participation from at

least 35 diverse institutions that together enroll more than 350,000 students. We are finalizing our list of core activities for the week of dialogue and plan to meet with AAC&U, the

American Council on Education, the National Urban League, and others next week.

## **FEDERAL AGENCY ACTIVITIES**

### **Department of Justice**

**Hispanic Illinois Congressional District.** On January 26, the Supreme Court summarily affirmed the district court's decision in King v. State Board of Elections, holding that Illinois' majority-Hispanic Congressional District Four did not violate the Constitution. District Four was adopted by the lower court after extensive negotiation by multiple parties in an earlier lawsuit.

**Racially Biased Poll Workers.** On January 12, the court entered a settlement in DOJ's case challenging the racially-based actions of white poll officials in New York City. These officials gave white voters ballots on which the poll workers had written the name of a white write-in candidate, and urged voters to vote for her during a May 7, 1996, election for a community school board in the Bronx. The white candidate was among those who won (there were also minority and other white victors), while several minority candidates were defeated. The settlement provides that the white write-in candidate be required to run again in a fairly conducted election, that the poll workers in question not be allowed to participate in the re-run, and that the board of election closely monitor polling places during the elections to be held this year and in 1999.

### **Department of Interior**

**Black History Month.** On February 2, Eric Robinson will be the keynote speaker for the grand opening of the Old Courthouse at the Jefferson National Expansion Memorial in St. Louis, Missouri. A wide variety of special events, programs, and concerts will be offered at the Old Courthouse and Gateway Arch throughout the month of February.

**Frederick Douglass Observance.** On February 13, NPS officials and D.C. Government officials will observe the 180th anniversary of Frederick Douglass with a musical tribute from various performers and school choirs during a wreath-laying ceremony. The annual observance also honors Black History Month.

## United States Department of Agriculture

**Black History Month.** On February 4, USDA will hold its Black History Month observance program in the Jefferson Auditorium in Washington, DC. The program and the month of February will be dedicated to Dr. George Washington Carver and his contributions to the field of agriculture. The keynote speaker will be Dr. Benjamin F. Payton, President of Tuskegee University.

**Civil Rights Training.** USDA began mandatory civil rights training for all employees on January 15, implementing another recommendation from Secretary Glickman's Civil Rights Action Team Report.

**Commission On Small Farms.** On January 22, Secretary Glickman held a news conference to accept the Small Farms Commission report, *A Time To Act*, which contains 146 recommendations to improve USDA's service to small and beginning farmers, including credit, risk management, research, education, rural development, marketing, and outreach. The Secretary spoke about the Administration's commitment to family farmers, noting that the President's 1999 budget "will borrow heavily" from the report for proposals to assist with farm ownership.

**Rural Initiative.** On January 30, Secretary Glickman will cover such topics as civil rights, rural economics, and small farms -- highlighting the Administration's commitment to helping small and minority farmers -- at the Conference on Rural Life at the University of Arkansas-Pine Bluff.

## Department of Commerce

**Conference on Race.** On January 29-30, Secretary Daley traveled to Los Angeles to participate in the Corporate Forum which was organized by the White House and the PIR. While in Los Angeles, the Secretary will also attend a corporate dinner to discuss the Asian financial situation and have lunch with Los Angeles Mayor Riordan.

## Department of Labor

**Affirmative Action Symposium.** On February 19, Assistant Secretary for Employment Standards Bernard Anderson will participate in an Affirmative Action Symposium with the Equal Employment Advisory Council (EEAC) in Washington, D.C.

## Department of Housing and Urban Development

**Fair Housing Efforts.** On January 19, Mayor Jim Dailey of Little Rock, Arkansas announced plans to strengthen fair housing efforts. In his annual "State of the City" address at City Hall, Mayor Dailey served notice of his intent to have a fair housing ordinance by the end of 1998. In calling for a fair housing ordinance, Dailey said he wanted a measure that would allow the city to hear local fair housing complaints that otherwise would be forwarded to HUD. He stated that such an ordinance would reflect a recommendation from "Future-Little Rock," the city's goals-setting study. Preparing the proposed ordinance would be the responsibility of the city's Racial and Cultural Diversity Commission, now being reorganized by the City Board. Dailey set a December 1, 1998, deadline for the board to prepare a draft ordinance.

### Veterans Affairs

**Initiative on Race.** On January 15, the Deputy Assistant Secretary for Equal Opportunity hosted a dialogue on race at VA Headquarters in Washington, DC. Participants included the Honorable Katherine Hanley, Chairman, Fairfax County Board of Supervisors; Dr. Robert Brown, Senior Associate, USDA Graduate School; Mr. Carlos Ruiz, former VA Director, Office of Small and Disadvantaged Business Utilization; Mr. Phillip Ridley, Legislative Assistant, Disabled American Veterans; and Ms. Elvira Crocker, Senior Professional Associate, National Education Association.

### Small Business Administration

**MOU with the Big 3 Automakers.** The Administrator and the Vice President will announce a Memorandum of Understanding with the Big 3 Automakers at an event in February during Black History Month.

**Race Advisory Board.** SBA is working with Cabinet Affairs to schedule the Administrator to attend the Race Advisory Board meeting in San Francisco on February 10-11.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 17:32:14.00

SUBJECT: Here's a summary of the President's meeting with Harris today -- AmeriCorp

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

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

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

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

TEXT:

Reauthorization: Harris stressed that he needed the President to keep pushing the issue, which the President said he'd do, noting that he raised it today at the Conference of Mayors. Harris and the President noted that Kasich might be brought around to support reauthorization, and the President said he'd talk to him. The President said he'd heard that the Republicans might attach some family planning legislation to AmeriCorps that they had previously attached to legislation on UN dues, but none of us had heard that. Harris said he wants us to slip into any tax bill that we do this year his proposal to make AmeriCorps education awards exempt from taxation, and the President was positive about the idea.

Work-study and service: The President recounted that his daughter has signed up to be an America Reads tutor, but that she was initially told she couldn't participate because she was too high-income to be eligible for work-study. He said that colleges should round up tutors regardless of whether the students are work-study.

Harris noted that Jonathan Alter, Joe Klein, and Steve Waldman think a key test of whether we're serious about service is whether we will continue to push colleges to dedicate work-study to service. The President asked if we knew how many work-study students are participating in America Reads or service generally. When no one seemed to know, the President said that Riley should require colleges to report this. Harris responded that we know to some extent for America Reads because we ask participating colleges to report the data, but other colleges do not have to report it. Harris noted the President's upcoming ACE(?) speech and said that might be a good chance to raise this issue. The President said that we have to push work-study students and college students generally out into the communities, and that community involvement should be an essential feature of a first-class university. He mentioned the college-school partnerships and said he is convinced that universities are in a position to stop the burst of juvenile crime we might otherwise see in a few years, when the current elementary school population become teenagers.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 18:39:11.00

SUBJECT: 2 issues

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

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

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

TEXT:

1. ONDCP is saying they will do the Drug Strategy Release on the 10th w/out POTUS. We had told them POTUS wanted to announce it in the Radio Address on the 7th -- and they claimed it wouldn't be ready. The President is addressing the House Democratic Caucus Issues Conf. in Wintergreen that day (I think) so perhaps it's fine to have McCaffrey do the release here and POTUS announce it on the road. No matter what we need a Presidential event releasing the Strategy I think -- since the President's done an event every other year.

2. Bad news with the FOP. They're terribly upset there hasn't been an answer. Gil still feels he is owed a call from Erskine - since he called him and left a message for him to call back. Also, while the local FOP is supposedly putting out a statement supporting agents not testifying, the National/Gil refuse to allow any supportive statements on anything. Gil has decided to push for legislation to be introduced by Feb. 10 requiring collective bargaining for all federal law enforcement -- apparently they have a commitment from several members to introduce it. They have at least 200 members coming to D.C. Feb. 10 to lobby for this. They will get a ton of press attention if they mention a disagreement with the White House on this issue, so I would like to find a way to cool them down a bit. I realize this may not be a good time to resolve this issue -- but a temporary relief would be to get Erskine to call. I look to you all for an update on how much we can do after that.



**Additional Q/A's that may be useful from HHS**

**Q: Doesn't this mean that many of the policy proposals you've announced simply may not happen if there isn't tobacco legislation?**

**A: No. As we've said all along, our budget proposal makes clear that these proposals can be fully paid for within the context of a balanced budget. Our budget assumes that Congress will pass tobacco legislation, and we believe that this is a realistic assumption. The budget we are sending to Congress includes a number of proposals to pay for our new initiatives -- including tax proposals and spending offsets. Of course, no offset proposed in a budget is guaranteed; Congress can reject any proposed way of financing a program. If Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets. This is a high Administration priority, and we will find an effective funding mechanism.**

**Q: Why are some of the President's key priorities funded with tobacco money? Isn't this just a ploy to increase pressure on Congress to pass tobacco legislation? What is the Administration going to do if Congress doesn't pass a bill this year?**

**A: First, let's remember that every initiative in our budget submission, including these, are paid for within the context of a balanced budget. The President is committed to that goal, and we'll simply find other offsets to support our key priorities if necessary. That's what happens in the budget process every year.**

**But we expect Congress to pass tobacco legislation -- it has bipartisan support. So does funding for the NIH, and so does child care. We believe we're going to be able to work with Congress to pass these important initiatives.**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 15:06:27.00

SUBJECT: Education Weekly

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

National Test: On Wednesday Goodling's committee marked-up his bill to prohibit further test development work without specific and explicit Congressional authorization, beyond that provided for in the appropriations compromise. The bill was approved in committee by a 23-16 vote. Only one Democrat, Tim Romer, voted with Goodling; no member of either the Congressional Black or Hispanic Caucuses voted with him. We were able to hold the caucus members in part because of the school construction, class size and other initiatives that target resources to their constituents, and in part due to our appeals for party unity. Goodling is planning on bringing his bill to the floor as early as next week. Our plan is to first hold the Democrats together again. We are working with Mr. Clay and Mr. Miller on the authorizing committee, as well as Mr. Gephardt, to devise the best strategy for accomplishing this. Our approach may involve advancing a Democratic (though not Administration) proposal to authorize national tests, with provisions that would make the bill acceptable to the Caucuses. Second, we will issue a veto threat so there is no doubt about your continuing commitment to move forward with the tests.

America Reads: In response to the America Reads annual report, you had asked for information on the number of work study volunteers, nonwork study volunteers, and noncollege volunteers. The America Reads office does not maintain information at that level of detail. In the initial efforts to sign up colleges and universities, it became clear that few were comfortable in making specific commitments to either the number or source of volunteers. Education Department, DPC and NEC staff felt that pushing for specific commitments and detailed reporting of actual numbers of volunteers would have seriously reduced our ability to sign colleges and universities up.

Ending Social Promotion: Your call to end social promotions is proving to be the most controversial of all of your proposals within the education community. Based on feedback to date and discussions with Secretary Riley, we believe that support within the education community could be increased, without changing your proposal at all, by a slight change your rhetoric. Clarifying that the point is to educate all students to pass, rather than retaining students in grade, would help. And in addition to talking about the need to couple an end to social promotions with second chances such as mandatory summer school, we recommend that you also talk about the steps that must be taken to help students meet promotion standards on the first chance. These steps are completely consistent with your agenda -- smaller classes, rigorous curriculum, well prepared teachers, modernized schools, early identification and intervention for students who need help, and accountability for student achievement by the entire school staff. This would send a clear message that schools can do

more than at present to help students meet promotion standards the first time around, especially with the tools we are working to provide them.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 10:43:41.00

SUBJECT: Draft Farmers Agenda

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

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

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

TEXT:

I. Current dispute

- \* Ford vs. Robb
- \* Continue program vs. buy out
- \* Split between flue-cured and burley
- \* Ford support in Senate, Robb increase with farmers (health likes buy out)
- \* Action in House-- Etheridge (companies buy) Baesler (combo Ford/Robb)

II. Upcoming Events

- \* Subcmtee Hrng Tuesday
- \* Conrad bill release

III. Next Steps

- \* Process for choosing policy
- \* Hill strategy

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 18:29:45.00

SUBJECT: Re: all-girls school

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

READ:UNKNOWN

TEXT:

I sent in a weekly on this a couple of weeks ago; don't know if you used this. Leslie Thornton and the ED team are going to NYC week of Feb. 10, following up Riley's conversation with Rudy Crew in late December.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 17:59:55.00

SUBJECT: Michigan Privatization

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

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

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

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

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

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

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

TEXT:

As most of you know, DOL has informed me that Engler insists on starting to privatize Michigan's Employment Service Monday. As a result, DOL is preparing a letter to the Michigan Employment Commissioner stating that DOL will begin to withhold federal funds for the operation of the Employment Service because the state is breaking the law.

Karen--I understand that Kitty called you about this. Have you seen this letter? Do you know if they have let WH Leg Affairs and the Press Office know? Do we know what the impact of withholding funds will do to recipients?

Diana-- I know you are trying to get your hands on a copy of the letter. Can you find out if they are doing talking points?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 10:58:56.00

SUBJECT: EEOC

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Elena,

Ellen Vargyas from the EEOC would like for us to meet with some of the key people in her office to discuss the budget initiative. Her interest is in ensuring that all of the folks over there understand our package and can speak about it positively with the press, staff and others. According to Ellen, this is particularly important with the Acting Chair's staff (Igasaki). Tom and I will likely both attend this meeting, which is tentatively scheduled for Tues. at noon. Thanks.

Julie



## Draft Tobacco/Budget Q&A

1/30/98

**Q: In September, the President said the focus of tobacco legislation should not be about money. In the budget you are submitting today, more than 60 percent of the proposed increase in discretionary spending is paid for by tobacco legislation. Why has the President changed course?**

**A:** The President's course has not changed -- Congress should send the President legislation that will dramatically reduce youth smoking. Experts all agree the single most important step we can take to reduce youth smoking is to raise the price of a pack of cigarettes significantly. That is why last September, and again in his State of the Union speech, the President called for Congress to pass legislation that raises cigarette prices by up to \$1.50 per pack over the next ten years as necessary to reduce youth smoking. Our budget simply scores that part of the President's plan, and allocates the revenues to programs that promote public health and assist children.

**Q: How can you assume revenues from tobacco legislation when it's not at all certain whether this legislation will pass?**

**A:** It is a normal part of the budget process to account for any revenues that will be raised from proposed legislation. And we believe strongly that Congress will pass comprehensive tobacco legislation this year. If everyone who says they are committed to protecting children from tobacco rolls up their sleeves and gets to work, we will pass a significant piece of legislation.

**Q: Doesn't attaching tobacco legislation to particular spending initiatives hurt the chance of passing this legislation?**

**A:** No. It is a normal part of the budget process to propose how to spend any revenues raised from proposed legislation. And we will work on a bipartisan basis with Congress if it has other ideas on the best way to allocate these revenues. There is no reason why allocation issues should hold up the process of comprehensive legislation.

**Q: How much money do you expect to raise from tobacco legislation next year? What about over five years? How did you come to this figure?**

**A:** This budget is designed to reduce youth smoking by 30% in five years and 50% in seven years, which is the President's goal. We calculate that the necessary increase in the price per pack will result in about \$10 billion in revenue next year and \$65 billion over five years.

**Q: How much does your plan increase the cost of cigarettes?**

**A:** In order to reach the President's goal of reducing youth smoking by 30% in five years, and 50% in seven years, this budget projects about a \$1.10 increase in the price of cigarettes over five years.

**Q: What programs is tobacco money used for in the budget?**

**A:** In general, tobacco revenues go toward protecting public health and assisting children. First, the budget provides for funds for anti-smoking activities that will help us meet the goals of reducing youth smoking rates. In addition, there are funds in the budget to support the commitment the President made when he announced his plans for tobacco legislation in September to fund a dramatic expansion of health-related research in America. Finally, in recognition of the states' role in bringing suit against tobacco companies, the budget provides for a substantial amount of money to revert to the states. Some of this money can be used for any purpose. Other funds must be used on state-administered programs to assist children (specifically, for child care, Medicaid child outreach, and class size reduction).

**Q: How much money is there for states in the budget?**

**A:** The states will receive as much unrestricted money over five years as they would have received under the original settlement agreement (\$26 billion). In addition, the states will receive more than \$15 billion for state-administered programs to help children. This money represents the federal share of Medicaid recoveries, which the Administration has decided to return to the states for use in state-administered programs in recognition of the important role the states played in bringing about this litigation.

**Q: Does your budget assume that the revenues from tobacco legislation will come from increased excise taxes, or from industry payments pursuant to a settlement?**

**A:** The budget does not say how the funds will be raised: it is compatible either with increased excise taxes or with a schedule of industry payments established in a settlement.

**Q: Last week, several Republicans came out against tobacco legislation that would grant the industry limits on liability. Many public health leaders are also saying that tobacco legislation must not include limits on liability. Does the president still favor a settlement that would probably include some limits on industry liability?**

**A:** The President has detailed the five principles that he believes the tobacco legislation should be based on. Liability protection for the tobacco industry is not one of them. By the same token it is not a deal-breaker for us if we are able to achieve the President's five principles. What's important is achieving those principles through comprehensive legislation that includes, for example, a large per-pack price increase, penalties for marketing to children, and broad restrictions on children's access to tobacco.

We hope that these kinds of statements (statements by Republican senators on liability) don't mean that some members are seeking to walk away from their responsibility to protect children by enacting comprehensive tobacco legislation.

Piecemeal legislation won't accomplish our goal. It's not enough just to say we did something if we don't pass comprehensive legislation that really accomplishes our goals.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 09:27:45.00

SUBJECT: Smoking Cessation

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

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: Sarah A. Bianchi ( CN=Sarah A. Bianchi/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

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

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

TEXT:

Michael Fiore, who chaired the Smoking Cessation Guideline Panel for HHS's Agency for Health Care Policy and Research smoking cessation report, is in town next Tuesday and he would like to present the latest work on cessation. He is available to meet between 12:15 and 2:45. Please let me know if you are interested in attending, and I will let you know the final time and place for the meeting. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 15:54:01.00

SUBJECT: Weekly welfare reform item on 9th Circuit Decision

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Based on new information, the last sentence begining "At least 14 states have enacted..." should be changed to "Fifteen states have enacted..."



January 31, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed  
Elena Kagan

RE: DPC Weekly Report

**Tobacco -- RJR Documents and State Prohibitions Against Sales to Children:** In light of documents released by Rep. Waxman showing R.J. Reynolds Tobacco Company had plans for targeting children, you asked us to find how many states had laws prohibiting sales of cigarettes to persons 18 or younger at the time the documents were written. The 81 documents, spanning from 1973 to 1990, provide evidence of the company marketing to children as young as age 14. In both 1974 and 1975, documents discuss the need to market to the 14-24 age group because they "represent tomorrow's cigarette business." According to data gathered by the National Cancer Institute, as of 1974, 27 states had passed legislation prohibiting the sale of cigarettes or other tobacco products to those 18 and under. Starting around 1980, RJR officials stopped specifically referring, even internally, to marketing to anyone younger than 18. However, beginning in around 1987, RJR started its Joe Camel advertising campaign. As of 1987, at least 35 states had passed legislation prohibiting the sale of cigarettes or tobacco products to those 18 and under. Today, all 50 states, including the District of Columbia, have laws prohibiting the sale of cigarettes or tobacco products to those 18 or under.

**Child Care -- Senate Republican Child Care Legislation.** The day after the State of the Union Address, Republican Senators Chafee, Hatch, Snowe, Roberts, Specter and Collins introduced a promising child care package that, like yours, significantly increases child care subsidies for poor children, provides additional tax relief to help low- and middle-income families pay for child care, creates a tax credit for businesses that provide child care to their employees, and improves state enforcement of health and safety standards. In addition, the package includes a proposal to adjust the child care tax credit to provide assistance to stay-at-home parents. While the legislation has not been fully costed, in press reports it has been estimated at \$12 billion over five years. Shortly after the bill's introduction, you issued a statement supporting bipartisan cooperation on this important issue. On Thursday, Senator Dan Coats, Chairman of the Senate Children and Families Labor Subcommittee, held a news conference with conservative groups announcing his intention to argue that any new money

should be targeted to parents who stay at home and announce his plans to chair a symposium on child care and parenting sponsored on February 18th.

**Drugs -- Crack Cocaine:** The Senate may consider legislation to revise penalties for cocaine trafficking as early as this spring. Senator Lott listed cocaine penalties as one of the agenda items for the Senate to take up prior to the Easter recess. As you recall, the Attorney General and the Drug Director jointly recommended revising the current threshold for a 5-year mandatory sentence from 5 grams to 25 grams for crack, and from 500 grams to 250 grams for powder cocaine -- a ratio of 10:1 rather than the current 100:1. We expect the Republicans to move a proposal to keep the current threshold for a 5-year sentence the same for crack cocaine (5 grams), but significantly lower the threshold for powder cocaine to 100 grams.

**Welfare Reform --Welfare to Work Transportation:** After the State of the Union, you asked us to write up the story of Elaine Kinslow and her colleagues who are helping transport welfare recipients to work and remind the states that they can use TANF funds to support such projects. We think this is an excellent idea. We propose to send a letter to governors, state legislative leaders, and mayors which 1) describes Elaine Kinslow's story; 2) tells them that you're fighting for \$100 million a year in new welfare to work transportation funds as part of the ISTEA reauthorization; 3) reminds them that they can in some circumstances use TANF and the \$3 billion welfare to work funds for transportation, and promises more detailed guidance from HHS, DOL, and DOT. We will want to make clear that the ISTEA funds are still needed despite the HHS and DOL funds. The TANF funds, for example, could not be used to provide transportation to families once they've left the welfare rolls, but only while they are still receiving TANF. DOL's \$3 billion welfare to work funds can be used for both current and former TANF recipients, but only those who were long term recipients with certain types of employment barriers.

**Welfare Reform -- Ninth Circuit Upholds Ban on Lower Welfare Benefits for New State Residents:** On Wednesday, the Ninth Circuit upheld a ban on a California law that would pay lower welfare benefits for new residents moving to California from other states. California's law would have reduced benefits for families in the state for less than one year to the amount that they would have received in their home state. This is the first federal appeals court decision on the residency issue since enactment of the federal welfare reform law, although there have been previous lower court rulings. The welfare reform law authorizes states to apply the rules and benefits levels of the state they came from if they have resided in the new state less than 12 months. The law also requires states to identify in their TANF plans whether they plan to treat new residents differently. However, the law did not address the constitutional issue that has historically blocked such laws as a bar on interstate commerce. At least 14 states have enacted laws that treat new residents differently in response to the real or perceived concern that they will become magnets from states with lower welfare benefits, although there is little hard evidence to support the welfare magnet theory.

[Elena, since you know more about the legal issues here, you may want to add to this.]

**Education -- National Test:** On Wednesday Goodling's committee marked-up his bill to prohibit further test development work without specific and explicit Congressional authorization, beyond that provided for in the appropriations compromise. The bill was approved in committee by a 23-16 vote. Only one Democrat, Tim Romer, voted with Goodling; no member of either the Congressional Black or Hispanic Caucuses voted with him. We were able to hold the caucus members in part because of the school construction, class size and other initiatives that target resources to their constituents, and in part due to our appeals for party unity. Goodling is planning on bringing his bill to the floor as early as next week. Our plan is to first hold the Democrats together again. We are working with Mr. Clay and Mr. Miller on the authorizing committee, as well as Mr. Gephardt, to devise the best strategy for accomplishing this. Our approach may involve advancing a Democratic (though not Administration) proposal to authorize national tests, with provisions that would make the bill acceptable to the Caucuses. Second, we will issue a veto threat so there is no doubt about your continuing commitment to move forward with the tests.

**Education -- America Reads:** In response to the America Reads annual report, you had asked for information on the number of work study volunteers, nonwork study volunteers, and noncollege volunteers. The America Reads office does not maintain information at that level of detail. In the initial efforts to sign up colleges and universities, it became clear that few were comfortable in making specific commitments to either the number or source of volunteers. Education Department, DPC and NEC staff felt that pushing for specific commitments and detailed reporting of actual numbers of volunteers would have seriously reduced our ability to sign colleges and universities up.

**Education -- Ending Social Promotion:** Your call to end social promotions is proving to be the most controversial of all of your proposals within the education community. Based on feedback to date and discussions with Secretary Riley, we believe that support within the education community could be increased, without changing your proposal at all, by a slight change your rhetoric. Clarifying that the point is to educate all students to pass, rather than retaining students in grade, would help. And in addition to talking about the need to couple an end to social promotions with second chances such as mandatory summer school, we recommend that you also talk about the steps that must be taken to help students meet promotion standards on the first chance. These steps are completely consistent with your agenda -- smaller classes, rigorous curriculum, well prepared teachers, modernized schools, early identification and intervention for students who need help, and accountability for student achievement by the entire school staff. This would send a clear message that schools can do more than at present to help students meet promotion standards the first time around, especially with the tools we are working to provide them.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Andrew J. Mayock ( CN=Andrew J. Mayock/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:30-JAN-1998 15:56:57.00

SUBJECT: PIR Calendar

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

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

TO: Claire Gonzales ( CN=Claire Gonzales/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

TO: edley ( edley @ law.harvard.edu @ INET @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: Judith A. Winston ( CN=Judith A. Winston/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

CC: Robert Wexler ( CN=Robert Wexler/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

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

CC: Audrey M. Hutchinson ( CN=Audrey M. Hutchinson/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

TEXT:

Next Thursday, we will reconvene a meeting on the PIR workplan/calendar. In the meantime, please review the chart below which lists outstanding issues and those responsible for them. If there are mistakes or omissions, please let me know. Thanks.

#### Outstanding Issues

SBA announcement - Sylvia

ERP chapter to be announced on Feb 10. Ask Lockhart about Holmes/Pear - Sylvia

Press conference with CBC - Minyon

VP town hall meeting in February - Minyon, Sylvia

Meeting on next POTUS town meeting - Sylvia (Minyon to consider Showtime/HBO)

Africa trade legislation - Sylvia

Possible PIR event on Africa trip - Sylvia

Memo on Ad Bd; Memo on work plan for POTUS - Richard, Andrew

Bi-lingual vote - Elena, Maria, Christopher to convene meeting

Race-Budget Tong next week - Jennifer

City Year event - Silverman, Jennifer

Indian country announcement (look for right event-Cutler) - all

Days of Dialogue - Claire

Racial Health Disparities in March in Baltimore, MD - Jennifer

Housing in March in CT - Jennifer

Sports commissioners meeting - Minyon

Education meeting - Maria, Christopher, Peter

Team Harmony in May in DC - Jon Jennings

Presidential Speeches - Christopher

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 21:21:43.00

SUBJECT: \$3 billion welfare to work evaluation

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:

The statute provides 6/10 of a percent of the \$3 billion funds -- or \$18 million -- for HHS in consultation with DOL and HUD to evaluate how the welfare to work grants have been used. The statute urges the Secretary to focus on job placements, retention, earnings, and average costs per placement. The Secretary shall submit to Congress an interim report by January 1, 1999 and a final report by January 1, 2001.

HHS has proposed a plan, which neither we nor Barry White find particularly satisfying. The plan puts the bulk of the funds into a long-term, MDRC-type control group study which will add to the body of knowledge about what works for hard-to-employ welfare recipients, but will give us little to tell Congress in 1999 (it wouldn't be completed until about 2003).

We are pushing back to get them to beef up the collection of data that will give us a more immediate indication of what happened to people who took part in the \$3 billion program and how their outcomes compare to similar long term recipients under TANF. Under the current plan, they will collect data to show what percent of people in the \$3 billion program went to work, which may appear low since the program serves long-term recipients with multiple barriers to employment, but we won't know whether those work rates are higher than they would have been in the absence of this program -- until the completely rigorous study is finished in 2003.

Of course, one could argue that we'd be better off not having too much concrete data by 1999. What do you think?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-JAN-1998 16:48:33.00

SUBJECT: budget rollout

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

READ:UNKNOWN

TEXT:

Need your advice on a small item -- the Save America's Treasures preservation program in Interior's budget. I have meetings out of town on Monday and Tuesday -- Had planned to give Jack Lew talking pts - and you too if you need them -- and have the National Park Service prepared to answer questions. Do I need to do anything more, or be here in person? Thanks for your guidance.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Morley A. Winograd ( CN=Morley A. Winograd/O=OVP [ UNKNOWN ] )

CREATION DATE/TIME: 1-FEB-1998 19:12:20.00

SUBJECT: Re: Single food agency

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

READ:UNKNOWN

TEXT:

----- Forwarded by Morley A. Winograd/OVP on 02/01/98  
07:11 PM -----

Morley A. Winograd  
01/20/98 09:29:08 PM  
Record Type: Record

To: Albert Gore/OVP @ OVP  
cc: Ron Klain/OVP @ OVP  
Subject: Re: Single food agency

Kay checked in with one more piece of news that I think settles the issue on SState of the Union but creates an opportunity for you to maintain public leadership on this issue. Here is her news, and my final recommendation on the issue:

Per Smith, administration bill, carried by Leahy, Harkin, and Daschle, will be introduced in this session that would require notification to USDA of any discovery of tainted meat/poultry, authorize USDA to do recalls and impose fines. Missing piece of Sec. Glickman's desire to "Wait until later." Therefore, based on what Jerry Mande had to say on past history here, I recommend:

- A. No SOTU announcement.
- B. VP (with POTUS authorization if required) initiate work by NPR team with existing agencies that have responsiblity to ensure food safety to see if there are ways existing process can be made to work as a single system, or as seamlessly as possible, while we await NAS study results.

OK? Disagree? Need further conversation?  
Morley

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1998 10:02:54.00

SUBJECT: Meeting with California School Boards Association

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

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

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

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

TEXT:

On Jan. 29 I met with the California School Boards Association leadership, and discussed Unz with them. Very simple summary:

1. They oppose Unz--they view it as bad education/bilingual ed policy; bad governance, because it erodes local control and because statewide initiatives are a bad way to make education policy;
2. They have absolutely no doubt that it will pass.
3. They say that an attempt to find a legislative compromise has fallen apart; Karen, are you getting the same story from your sources?
4. They don't have a strong view as to whether the Administration should take a position, and did not appear to have give much thought to that. They would love our support, recognize the possibility of mobilizing opposition if we do, and don't think we would effect the outcome. They asked if there were some way we could keep Diane Feinstein from supporting the initiative.
5. They expect the Hispanic Delegation from California to take strong stances against the initiative (even though they think some, such as Loretta Sanchez, will be seriously hurt by taking this position). They expect the rest of the delegation to support the proposition or stay out of the battle.

Maria--where do things stand on the trip to CA. you were planning?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1998 13:34:08.00

SUBJECT: heads up: tobacco paper re-write

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

READ:UNKNOWN

TEXT:

FYI:

We have been pulling together longer summaries of the major budget items for release tomorrow. In the process, I learned that Josh Gotbaum decided that the tobacco paper -- essentially the same exact language from the budget chapter -- was not enough. He is rewriting this summary. I told Jill Blickstein who is coordinating this paper in OMB that we (you two included) have to look at this re-write, but Chris and I wanted to make sure that you are aware of this. We are also concerned that we will not have a chance to run it by HHS, who will be briefing off of this paper tomorrow.

If I get such paper, I will page you; if you get it, it would be great if you could do the same.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Morley A. Winograd ( CN=Morley A. Winograd/O=OVP [ UNKNOWN ] )

CREATION DATE/TIME: 1-FEB-1998 19:07:19.00

SUBJECT: Re: food safety

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

READ:UNKNOWN

TEXT:

Elena:

We have a lot of catching up to do. I talked to Glickman and Shalala per VP's request and we also vetted idea with key cong. types. I have made a recommendation on how to proceed to VP, but do not have sign off on it from him or my staff. I promise to bring you back in the loop if you promise to tell me what is going on with INS reform. How about a quick conversation after Tuesday's COS meeting (I won't be there on Monday) and then lets proceed from there. In the meanwhile, I will send you for your e yes only what I recommended to VP.

Morley

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1998 12:43:07.00

SUBJECT: Proposed Education Block Grant

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

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

TEXT:

Attached is some preliminary thinking about an education block grant that Riley, Mike Smith and I think POTUS should announce when he meets with the gov's. later this month.  
Thought you might want to look at this before we keep going.===== ATT  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D52]MAIL436264130.026 to ASCII,  
The following is a HEX DUMP:

FF5750435F040000010A020100000002050000000872600000020000DBD1E8A977B686F8E25DC9  
B1A33921DC995D077BB5AC1A001978C33ED0E98623E8ED64C9658D405E093AA63FD538FAE7F399  
C6DA242FE2A7A1AB2F0E466D1C791DFEBD45AAAB873E1426D2662D351EC723AABB31E28F318675  
E23C4B55C15AAD78FAD378E10E6A8EC177E5502A5EA09B0D31923CB6F948DB5B519B27C6413067  
60081B42DDF90F5FF40DDB42358F9D68A2FE2FFEBD5D066F2F0B51C52380FA236B059F35679BE2  
E8D3D44DBA8F187847EB076F1D4E0A36B13565F882B3B4BDC49E967ADE52ACD8BFD2758899D282  
7EE62DE266C9C0A25F887E9F2F34EAE0E3DAD3642DA910426252161F35BDFB6D6F124E185D5354  
6D2B3E9EC44D5A69AFC3E5FE1F1EC9E6E8ADF9CB5EEA933CDF2B23665CD829AB2772AD2297E502  
C26E2C6610EA013499281428B686DC87D2A9449B1347A70DA97087B3367E8814693DC3733746A1  
5279FBA8BFB115C1E5E37FB990EF9072B0513E7DDB3B0B3B7BC44247B2EE318921151595AF11BA  
90D4F87DAE8773AD15BC026212564FC97BB3E5E58BDF40A3F54C95F68F35A01EE041E74C85F78  
A6CCF24B106D471E968D5875CB34486E84C0A5A7534F03413A34BE6D97C3E6F8548CEB718B3FBE  
F63DFC7ECD134B617CA5931F5B99513C9016C59FA0803A098C723280F688495262E0D453418D10  
B09627349902000A000000000000000000000000055010000003A0000008C020000092501000000  
06000000C60200008020100000010000000CC020000086E01000000AD000000DC0200000B3002  
0000003400000089030000081D0100000000000000BD0300000055010000004E000000BD030000  
087701000000400000000B040000083401000000140000004B0400003C00FE1536105807000001  
3900000060002815000010220043006F0075007200690065007200200031003000630070006900  
00000000000000001000100580208237C00780001020000600000000100AB003C00FE15361058  
070000013900000060002815000010220043006F00750072006900650072002000310030006300  
70006900  
00  
00  
38C5113B00580240010000000400280000000C00  
00A1000000A1000000D3050C0000010000000C00D32800D61EC30F39080000110900000005A000B  
01008B143600540069006D006500730020004E0065007700200052006F006D0061006E00200052  
006500670075006C00610072000000000000000000A000000570002007B035800010002005900  
020002005A00010045005B00010002005C00010044005D00010055005E00010002005F00010045  
0060000100170089452C24000000008008A02BF34030000000100DD0A1000830105000300A454

## NOTE TO BRUCE REED AND ELENA KAGAN

Below is the basic approach to an education block grant that I sent to Mike Smith over the weekend, modified slightly so you could better understand it. Mike is basically ok with this. Let me know what you think.

It involves combining Goals 2000, Title VI (The Republican block grant that already exists and for which we never seek funding), and the Eisenhower Professional Development Program into a \$1.2 billion or so block grant. It also involves expanding Ed-Flex (in which states are given the authority to waive federal education requirements) from a 12-state demonstration program to a 50 state program.

Riley is on board with this approach, but hasn't really focused on the details yet. Mike is going to involve some the key program staff on this over the next few days, to keep them on board.

We are aiming for this as a POTUS announcement when he meets with the gov's at the end of the month. This package is very close to what NGA is developing at Voinavich's initiative. Once this is a bit more firmed up, we'll develop a strategy for reaching out to the Dem. Govs. I don't want Voinavich to find out too soon that we are close to him--he will just try to push the envelope further.

**1. We should describe this package as building on Goals 2000, even as we change the name and build in even more flexibility and streamlining.** To avoid the charge of suddenly abandoning our top priority over the five years, we should be clear in our initial rhetoric that this proposal is building on the most important features of Goals, and expanding them. Since we have always called Goals 2000 a "responsible block grant" and since Ed-Flex is part of Goals 2000, this is not an unreasonable stretch.

We can accomplish this in several simple ways:

- o **Purpose of the Block Grant:** The purpose of this program is to help states and local school districts undertake the education reforms necessary to help all students reach challenging state standards in the basics and advanced skills in academic subjects.
- o **Underlying Principles:** Our rhetoric should stress that the program is built on the same principles that have been the foundation for Goals 2000: (1) high expectations and challenging academic standards for all students; (2) accountability for results; (3) maximum flexibility in the use of funds in order to achieve results; (4) investing in strengthening quality and increasing capacity. We should also stress another principle, not directly tied to Goals, of getting \$ to the local schools.
- o **Make Ed-Flex expansion a part of the Block Grant proposal, not a separate piece.** This reinforces that our legislative proposal is an extension of Goals 2000. In addition, we can require states that want Ed-Flex to have a strong school accountability plan (instead of an approved Goals 2000 plan), in ways that link to the overall accountability requirements for the block grant.

**2. States should have some discretion in how they allocate funds, linked to the accountability requirements of the program.**

*Funds would be distributed to states according to a formula that would get each state the same share of funds that it now receives from the 3 programs. ED has initially proposed that the block grant include a formula for the substate allocation of funds. Below, I've proposed an alternative approach, which Mike seems comfortable with:*

I'm not sure that we should have a substate formula as you suggested, especially if we are looking for some way to align this proposal with the governors. Substantively, I'd like to retain for states the ability to incorporate these funds into a broader statewide strategy, to preserve the benefits of having local districts compete for funds, and to have the ability to use the funds as incentives for forming partnerships between districts and other organizations (e.g., IHE's-especially for teacher training and professional development, or business and community groups for other purposes).

As an alternative, I'd suggest an approach with the following elements:

- o **Drive the funds to the local level:** States would have to give out 95% of the funds to LEA's or partnerships involving LEA's.
- o **Protect high poverty districts.** As we have proposed in class size, states should be required to guarantee high-poverty districts at least their "Title 1 share" of the funds.
- o **Give states flexibility in how to use the rest of the money to achieve the purposes of the program, to help all kids reach state academic standards.** States should be free to use the funds in any fashion that will help kids reach their own state academic standards, consistent with the state's own reform strategy. This would leave states free to distribute the funds according to a formula, or competitively. States could determine the purposes for which the funds could be used--very targeted, or very flexibly.
- o **Require states to issue annual statewide report cards, and district by district (or school by school) report cards.** States should be required to issue annual statewide report card, showing student progress toward reaching academic standards on a statewide basis, and disaggregated by socioeconomic level, race/ethnicity, and gender. Report card should also report on high school completion rates, and other indicators of the effectiveness of the system, as determined by the state. Report cards must also be issued on a district-by-district basis (though in local control states such as Iowa, without uniform state academic standards, these report cards can reflect somewhat different indicators of achievement).
- o **Require the accountability and performance data to inform the use and distribution of the funds.** The state must describe to the public and the Secretary (but no approval required) how its use of the funds will help increase the number of kids meeting state

standards and reduce the achievement gaps revealed by the report cards. States would still have the flexibility to determine how the money would be used; this requirement simply makes the state take into account the accountability data in determining how to best use the funds. (This is why I think we need local district or school report cards as well as state report cards). It will also exert some pressure on state to target additional funds to low performing schools.

**3. Ed-Flex should clearly be built on accountability for results.** In addition to whatever requirements are necessary to ensure that programatic funds are used for the purposes as intended, the basic requirement for states to get Ed-Flex is that they have a rigorous approach to holding schools and districts accountable for results, including school and district report cards with disaggregated data and some form of meaningful intervention in low performing schools/districts. In addition, I believe that Ed-Flex already requires states to demonstrate the same kind of flexibility with respect to its own requirements as we are prepared to offer; we should retain this approach and strengthen it if necessary based on what we have learned so far.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1998 12:12:58.00

SUBJECT: Strategy for Goodling vote: IMPORTANT

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

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

TEXT:

Janet Murguia, Scott Fleming, Barbara Chow and I continued to flesh out our strategy for Thursday's anticipated floor vote on Goodling's test bill. Here are the key points, including a few calls for each of you.

1. Riley is set to speak to the Democratic Caucus on Wednesday. His job is make the point for unity on political and process grounds. Scott and I will work to make sure he doesn't use this as an opportunity to make the case for the tests; if he does this, it will backfire.
2. Riley and/or Scott will nail down Clay and Martinez to speak out in support of Riley at the Caucus meeting.
3. Riley will be making a series of calls--to Waters, Becerra, Owens (surprisingly, Owens signed the minority report on the Goodling bill, sticking with the other D's), to keep them and the caucuses on board; to Obey; to Stenholm and other Blue Dogs
4. Barbara Chow will call Bob Matsui, in an effort to enlist his support in getting Patsy Mink to stay with us (we lost her at mark-up). Scott Fleming will remind her staff that Mink was supportive of the tests when Riley testified before the committee--in an effort to appeal to consistency.
5. Bruce--Janet thinks you should call Tim Romer and Cal Dooley. Dooley was with us in the Fall, and needs to be shored up. Romer went with Goodling at mark-up; he won't change now. Your message to him is: don't try to lead other Dems with you.
6. Bob Shireman, Janet and I will work the Hispanic groups and members who come to WH for Monday's Hispanic Initiative event with VPOTUS.
7. Elena--one of us should call Wade Henderson, thank him for his support at mark-up, and ask him to stick with us through the floor vote. Let me know whether you will call or would prefer me to.
8. Scott Fleming and his staff will be calling every Dem. we lost on the floor last fall, and ask them to stick with us. He'll get back to us if he needs us to help out.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1998 18:07:50.00

SUBJECT: update on tobacco summary

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

TEXT:

I spoke with Larry Haas who is in charge of the documents, and at this point he is just using the language in the budget document text. He had not heard of a re-write from Josh. If he gets one, he promised to get it to you two and us.

Sorry for these notes, but it's our unfortunate experience that you can never be too careful.

Jeanne

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 12:30:45.00

SUBJECT: Senate testimony next week: need response from you

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:

Next week a joint Budget Committee/Education Committee Education Task Force, chaired by Bill Frist, is holding a hearing; general topic relates to direction fed gov't should take in education, and the R's are expected to criticize existing fed programs and push for rolling existing programs into block grants. Checker Finn is chief Rep. witness

Dem Budget committee staff (Amy Peck Abraham) left me a message, asking me to testify for the Dem's, laying out President's agenda.

I've always had the sense that DPC and NEC staff generally don't testify, though I'm not sure if I'm right. There are other Administration candidates -- Mike Smith ( though ED is trying to limit his exposure as they try to push his confirmation forward) and Gerald Tirozzi, Ass't Sec'y for El/Sec education.

I'm comfortable personally that I could handle testifying ok, though I'm not sure (1) that WH staff should testify and, (2) that I'm necessarily the most appropriate Administration witness anyway.

Any guidance before I get back to Amy, to find out more about what she has in mind?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dawn M. Chirwa ( CN=Dawn M. Chirwa/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 2-FEB-1998 07:45:08.00

SUBJECT: Memo

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

TEXT:

I'm fininshing up the follow-up memorandum to you confirming our conversation with regard to the encylopedia entry you have been asked to write. (sorry it's taken this long.) One piece of info I need to finish: The name of the publisher who made the request.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 17:58:50.00

SUBJECT: Meeting with Sen. Ford's guy

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

At our tobacco farmers meeting last week we discussed inviting Ford's tobacco guy, Rob Mangus, in to talk about the state of the tobacco farmers piece of the legislation and what is happening with buy-outs, Robb, etc.. I thought we'd invite Dallas Smith and Charlie Rawls as well but not much more as Rob is likely to be more candid in a small group. Should we set it up?



## ALLOCATION OF ADMINISTRATIVE COSTS BETWEEN WELFARE PROGRAMS

**Question:** Why do you want to cut State administrative costs to run Food Stamps and Medicaid? Doesn't that place more burden on States?

**Answer:** The Administration does not propose to cut needed State administrative funding for Food Stamps and Medicaid. The budget only proposes to ensure that States do not get reimbursed twice for certain administrative costs: once from the amounts they receive in their TANF block grant, a second time by claiming reimbursement through matching funds in Medicaid and Food Stamps.

The Budget adjusts the match rate on administrative costs in Food Stamps and Medicaid from 50 percent to 47 percent to account for the cost shift from TANF. The total savings from the match rate change equals the total cost increases resulting from new State "cost allocation" practices. In the aggregate, this means that States will receive an equivalent amount of funding to what they would have received prior to welfare reform. We are therefore not placing more burden on States.

**Additional:** Some States may view the Budget policy as unfair because it applies the same match rate reduction to all States regardless of individual State differences in pre-welfare reform cost allocation policies. However, HHS and USDA do not currently have specific State-by-State cost data on cost allocation policies. Negotiating the administrative costs on a State-by-State basis would result in a long and protracted process that could not support scoring the savings from this policy for the Budget. States may also view the growing dollar cuts in Food Stamps and Medicaid as unfair because they say they can shift only a fixed amount from TANF. Once States shift costs to Food Stamps and Medicaid, however, the costs are projected to increase at the rate of growth in those programs. The match rate change removes the costs as they grow over time.

**Background:** As an unintended consequence of welfare reform, States have an incentive to shift administrative costs from the capped TANF block grant to the open-ended Food Stamp and Medicaid programs as a way to generate more revenue for States. If States pursued this course, Federal costs would increase by \$3 billion or more in FYs 99-03 with no commensurate benefit for poor people. Effective in FY99, States will be required to adopt the cost allocation approach which requires them to shift costs from TANF to Food Stamps and Medicaid. The match rate reduction will become effective in FY99. Up to and including FY98, HHS will not approve State plans to shift costs.

**Prepared by:** Jeff Farkas (x5-7756) and Anne Tumlinson (x5-7789)

## **ALLOCATION OF ADMINISTRATIVE COSTS BETWEEN WELFARE PROGRAMS REP. STENHOLM CONCERNS**

**Question:** Why does your cost allocation proposal save less in Food Stamps than the Senate agriculture research bill? Does that mean your immigrant and crop insurance proposals are not fully offset in the Ag Committee? Why do you want to cut farm programs to pay for increases in Food Stamps?

**Answer:** The Budget achieves less savings from Food Stamps (\$0.9 billion) than the Senate agriculture research bill (\$1.2 billion) because the Administration uses a different methodology to harmonize Food Stamps and Medicaid policy while the ag research bill addresses Food Stamps only.

In total, the Administration's spending proposals -- which include Food Stamp benefit restorations for legal immigrants, crop insurance delivery expenses funded through mandatory spending, and other farm items -- are fully offset in the context of the Budget. Within the Agriculture Committee, the Administration's proposals are not fully offset -- spending increases in Food Stamps, crop insurance, and other programs outweigh the savings from cost allocation, commodity exports, and other proposals.

In addition, total spending changes in Food Stamps (+\$1.5 billion) outweigh total spending changes in farm programs (-\$0.6 billion). Restoring Food Stamps to legal immigrants who were made ineligible for benefits by the 1996 welfare law remains a top priority for the Administration and fulfills the President's pledge to reverse the most excessive cuts included by Congress in welfare reform.

**Additional:** In line with Rep. Stenholm's concerns about cost allocation, the Budget does not change TANF grant levels, TANF State maintenance of effort requirements, or TANF transfer provisions.

**Background:** The Budget addresses the cost shift from TANF to Food Stamps and Medicaid in a unified manner by changing the match rate on administrative expenses in both Food Stamps and Medicaid from 50% to 47%. Because Medicaid costs are much higher than Food Stamp costs, a larger share of the savings from the match rate adjustment come from Medicaid rather than Food Stamps. In comparison, the Senate agriculture research bill did not seek to address the cost shift to both Food Stamps and Medicaid; it sought to prevent cost increases only in Food Stamps, and sought to prevent all of the cost increases in the program. As a result, its savings in Food Stamps are higher.

**Prepared by:** Jeff Farkas (x5-7756) and Adrienne Erbach (x5-3496)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jacob J. Lew ( CN=Jacob J. Lew/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 2-FEB-1998 12:36:31.00

SUBJECT: Re: Tobacco Budget and Q&A.

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

READ:UNKNOWN

TEXT:

I have been trying to leave the impression that the budget does not address in detail the scope of tobacco legislation. I have also been saying that it does not address the question of liability or what to do with any revenue that may exceed the \$65 billion. In that sense I may have suggested it as a floor. I agree with the characterization of our number as representing the amount necessary to address youth smoking, and thought I had said that as well. What do you think we should say in response to questions about potentially larger revenue streams?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 19:10:39.00

SUBJECT: Hot Tobacco Items

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

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

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

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

TO: Sarah A. Bianchi ( CN=Sarah A. Bianchi/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: 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:

1. DoJ is scheduled to testify this Thursday before a House Judiciary oversight hearing regarding the civil liability portions of the proposed tobacco settlement. DoJ has alerted OMB that we probably won't see the testimony until Wed. I have alerted OMB that this is a sensitive subject, and it would be helpful to know who is testifying and the lead in their testimony by tomorrow.

2. Sen. Jeffords is planning to introduce his tobacco bill on Thursday with an FDA section that contains many of the problems the 6/20 deal had plus a lot of new problems that someone clever has thought up. Jeffords is also on record saying he wants to move tobacco legislation that can be reported out of his committee 18-0. We should consider whether we want to send a message directly to Jeffords (not his staff) about the problems with his bill. I believe it is important we do this before he introduces the bill. It will be a significant setback to comprehensive tobacco legislation if Jeffords goes on record supporting the approach to tobacco regulation outlined in his bill. Jeff Teitz on Kennedy's staff has urged us to contact Jeffords.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 10:35:34.00

SUBJECT: New Post

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

READ:UNKNOWN

TEXT:

Bruce and Elena--

I wanted to let you know that I have tentatively agreed to run the Comprehensive School Reform Demo Program ("Obey-Porter") that the President endorsed in a radio address this fall. The program has a lot of potential for addressing the President's priority of fixing failing schools, directly in terms of the 2000+ schools likely to receive funding under this program, and indirectly by highlighting more effective ways that schools can use their federal funds (such as by adopting the New American Schools designs that the Administration has invested in). Having good models out there will be all the more important if/when we pass the Zones or the school reform block grant proposal under discussion for NGA.

I want you to know that I am very grateful for having the chance to work here as part of the DPC "juggernaut" and especially during this year when we have done so much on education. I look forward to continuing to work with folks here on the President's new initiatives and on things on the horizon like the Title I reauthorization -- as well as on putting the Administration's stamp on the CSR program. I will be working with Mike on a schedule for making the transition to ED over the next few weeks.

Again, thanks for the opportunity to be a part of things here.

-- Bill

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 17:50:24.00

SUBJECT: Central Americans

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

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

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

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

TEXT:

I just got a call from John Morton at DOJ. The Attorney General has signed the memo that outlines implementation of the Central American legislation.

Julie



## BENEFITS FOR IMMIGRANTS: OVERVIEW

### Question:

- Why does the budget increase welfare spending for immigrants? Doesn't this run counter to the welfare reform bill that the President signed less than two years ago?

### Answer:

- When the President signed the welfare reform bill, he criticized the cuts to benefits for legal immigrants and said they had nothing to do with moving people from welfare to work. Last year, the President's budget addressed benefit restrictions in the SSI and Medicaid programs. The President and Congress ultimately restored SSI and Medicaid benefits for hundreds of thousands of legal immigrants. This year, the President's FY 1999 budget proposes to restore Food Stamps to vulnerable groups of immigrants and provide States the option to provide health assistance to immigrant children at a cost of \$2.7 billion over five years.
- The budget would expand access to Food Stamps for families with children, people with disabilities, the elderly, refugees and asylees. Any immigrant who has a legally binding affidavit of support from their sponsor would be ineligible for Food Stamps unless the sponsor became destitute. When support is unavailable from an immigrant's sponsor, the nation should provide a safety net for vulnerable groups of immigrants who are legal, permanent residents of our country.
- The budget also proposes to give States the option to provide Medicaid and CHIP to immigrant children, without regard to when they entered the country. This policy will give low-income, vulnerable children access to medical services.

### Additional:

- The Administration's proposal costs \$2.7 billion over five years (\$2.43 billion in Food Stamps and \$0.23 billion in Medicaid). It would restore Food Stamps to 730,000 immigrants in FY 1999. The budget restores benefits to four groups: 1) Families with children without regard to date of entry. For immigrants with a legally binding affidavit of support from their sponsor, the sponsor's income would be deemed until citizenship; 2) Elderly (age 65 and older) and persons with disabilities who entered before welfare reform was enacted; 3) Refugees and asylees have their current law exemption extended from 5 to 7 years; and 4) Hmong refugees from Laos. The provisions for the elderly, disabled, refugees and asylees parallel those for SSI and Medicaid in the BBA (see below).
- The Administration's health care proposal would give States the option to provide Medicaid and CHIP to immigrant children. The Budget provides \$0.23 billion in Medicaid for this purpose and would allow states to cover immigrant children under their

current CHIP allotment.

- The BBA restored \$11.5 billion (CBO estimate) in SSI and Medicaid benefits to immigrants currently receiving SSI and those who entered the country before enactment of welfare reform and become disabled in the future. The BBA also extended the exemption for refugees and asylees from 5 to 7 years for purposes of SSI and Medicaid.

## **BENEFITS FOR IMMIGRANTS REFUGEE ELIGIBILITY EXTENSION**

### **Question:**

What accounts for the high welfare utilization rates among refugees?

### **Answer:**

- By definition, refugees and asylees are individuals who come to our country to escape persecution in their country of origin. These individuals have generally experienced war or other violent trauma requiring medical and income assistance. They often need more time to put their lives together and become self-supporting than other legal immigrants do.
- About one-half of refugees speak little or no English at arrival; only about one-tenth speak English fluently.
- Therefore, we believe refugees and asylees need a longer eligibility period for assistance than other qualified aliens because of the unique circumstances that bring refugees and asylees to the U.S.
- Under the President's proposal, refugees and asylees would get an additional two years of eligibility, to provide additional time to enable them to naturalize or to achieve stable self-support. The President's budget proposal would extend refugees' eligibility for Food Stamps benefits from 5 to 7 years.
- The longer time period is particularly important because more recent refugee populations have included larger numbers of older and elderly individuals who require a longer time to adjust.
- This is the same exclusion that was provided to refugees, asylees and those whose deportation has been withheld for the SSI and Medicaid programs in last year's Balanced Budget Act.
- Finally, refugees are not even eligible to apply for naturalization until they are near the end of their 5 years residence. Since the processing time for naturalization applications is now about 1 year, this extension from 5 to 7 years is necessary to physically permit refugees to comply with INS procedures without being denied crucial services during the interim.

## **BENEFITS FOR IMMIGRANTS REFUGEE ELIGIBILITY EXTENSION**

### **Question:**

What accounts for the high welfare utilization rates among refugees?

### **Answer:**

- By definition, refugees and asylees are individuals who come to our country to escape persecution in their country of origin. These individuals have generally experienced war or other violent trauma requiring medical and income assistance. They often need more time to put their lives together and become self-supporting than other legal immigrants do.
- About one-half of refugees speak little or no English at arrival; only about one-tenth speak English fluently.
- Therefore, we believe refugees and asylees need a longer eligibility period for assistance than other qualified aliens because of the unique circumstances that bring refugees and asylees to the U.S.
- Under the President's proposal, refugees and asylees would get an additional two years of eligibility, to provide additional time to enable them to naturalize or to achieve stable self-support. The President's budget proposal would extend refugees' eligibility for Food Stamps benefits from 5 to 7 years.
- The longer time period is particularly important because more recent refugee populations have included larger numbers of older and elderly individuals who require a longer time to adjust.
- This is the same exclusion that was provided to refugees, asylees and those whose deportation has been withheld for the SSI and Medicaid programs in last year's Balanced Budget Act.
- Finally, refugees are not even eligible to apply for naturalization until they are near the end of their 5 years residence. Since the processing time for naturalization applications is now about 1 year, this extension from 5 to 7 years is necessary to physically permit refugees to comply with INS procedures without being denied crucial services during the interim.

## **BENEFITS FOR IMMIGRANTS HOLDING SPONSORS RESPONSIBLE**

**Question:**

Why shouldn't immigrants be taken care of by the sponsors who agreed to take care of them?

**Answer:**

- We agree that sponsors need to be held responsible and accountable. The Administration supported the new law requiring all family-based and some employment-based immigrants to have legally binding affidavits of support, and we implemented the provision in the fall of 1997.
- The Administration's proposal requires that all immigrants who have a legally binding affidavit of support from their sponsor will have the income of their sponsor assigned to them for purposes of determining eligibility for Food Stamps.
- However, nearly all legal immigrants now in the U.S. either have sponsors who are not legally obliged to support them or have no sponsors at all. Sponsors of immigrants who arrived in the past signed affidavits of support that are not legally binding and therefore do not obligate them to provide support or to reimburse for public assistance. An INS estimates of all FY 1994 non-refugee immigrants found that nearly half--or 44 percent--did not have sponsors.
- Additional support is therefore needed for immigrants who have no legally-binding affidavit of support or no sponsor in the first place.

## **BENEFITS FOR IMMIGRANTS FEDERAL VERSUS STATE ACTION**

### **Question:**

- GAO reports that 20 States provided or plan to provide legal immigrants with state-funded food stamps assistance or other food assistance. GAO estimates that these State efforts will reach one quarter of the immigrants who were denied Food Stamps by the welfare reform restrictions. Given these State efforts, why should the Federal government change its policy?

### **Answer:**

- The budget would expand access to Food Stamps for families with children, people with disabilities, the elderly, refugees and asylees. All of these groups deserve access to food assistance regardless of where they reside in our country. The strong State response to this problem is evidence that the public does not support denying Food Stamps to vulnerable groups of legal immigrants. However, it does not substitute for a permanent national policy. In addition, States are serving only one-quarter of the individuals who lost benefits. There are many more individuals who are not receiving assistance from States.
- Many states have chosen to provide benefits to only certain limited groups (i.e., elderly or disabled). The duration of the state efforts is unclear. Some states described the measures as only interim actions until Congress addresses the issue. It is not clear that States would continue to provide these benefits if an economic recession created a shortfall in State budgets.

### **Additional:**

- The FY 1997 Supplemental Appropriation Act included a provision to allow States to purchase Food Stamps from the Federal government to provide benefits to individuals who lost food assistance due to the 1996 welfare reform law.
- States generally use the Food Stamp Program's infrastructure to provide benefits to immigrants and reimburse the Federal government for the costs. States providing or planning to provide assistance through purchasing Food Stamps or through other programs include California, Florida, New York, Texas, New Jersey, Massachusetts, Maryland, Nebraska, Rhode Island, Washington, Colorado, Connecticut, Maine, Minnesota, Oregon, Pennsylvania, Rhode Island, South Dakota, Vermont, and West Virginia.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 20:22:24.00

SUBJECT: Breaux update on Bobby Jindal -- please give this to Larry Stein too.

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Erskine B. Bowles ( CN=Erskine B. Bowles/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

CC: Carole A. Parmelee ( CN=Carole A. Parmelee/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

According to Senator Breaux, the President mentioned to the Senator today that he (the POTUS) would like to meet the new Executive Director of the Medicare Commission -- 27-year, old, Rhodes Scholar, LA Medicaid Director, Bobby Jindal. Breaux wants this to happen sometime next week and is under the impression that this is consistent with the President's desires.

I have talked with Larry Stein about this and we mutually agree that it would be a bad idea for such a meeting to take place UNTIL AFTER the President meets with his own Commission appointees and at least calls the Democratic appointees (and perhaps the Republican appointees as well). All of these Commission members rank above the Executive Director and might well take offense to learning of a meeting with Mr. Jindal that took place before the President expresses his personal thanks to the members for serving and outlines his desire to work with them throughout the process. (Although I have yet to talk to Gene re this, I am almost certain he would concur.)

Gene Sperling and I are trying to set up a meeting with the Commission members for sometime within the next two weeks. We will try to expedite this meeting (and any associated calls to the other members).

Erskine, does this plan sound ok to you?

cj

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 2-FEB-1998 08:30:27.00

SUBJECT: Daily Message Calendar for 2/2 - 2/8

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

TO: Kris M Balderston ( CN=Kris M Balderston/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

TO: Joseph P. Lockhart ( CN=Joseph P. Lockhart/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: Judith A. Winston ( CN=Judith A. Winston/OU=PIR/O=EOP @ EOP [ PIR ] )

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

TO: Thurgood Marshall Jr ( CN=Thurgood Marshall Jr/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

TO: Ron Klain ( CN=Ron Klain/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

TO: Erskine B. Bowles ( CN=Erskine B. Bowles/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

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

TO: VINCA S (Pager) #LAFLEUR ( VINCA S (Pager) #LAFLEUR [ UNKNOWN ] )  
READ:UNKNOWN

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

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

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

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

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

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

TO: Elliot J. Diringer ( CN=Elliot J. Diringer/OU=CEQ/O=EOP @ EOP [ CEQ ] )  
READ:UNKNOWN

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

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

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

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

TO: Jennifer N. Devlin ( CN=Jennifer N. Devlin/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Kathleen A. McGinty ( CN=Kathleen A. McGinty/OU=CEQ/O=EOP @ EOP [ CEQ ] )  
READ:UNKNOWN

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

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

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

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

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

READ:UNKNOWN

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

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

TO: Stephanie S. Streett ( CN=Stephanie S. Streett/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: Amy W. Tobe ( CN=Amy W. Tobe/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Claire Gonzales ( CN=Claire Gonzales/OU=PIR/O=EOP @ EOP [ PIR ] )  
READ:UNKNOWN

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

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

TO: Doris O. Matsui ( CN=Doris O. Matsui/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

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

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

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

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

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

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

TO: Christa Robinson ( CN=Christa Robinson/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: David S. Beaubaire ( CN=David S. Beaubaire/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

TO: Antony J. Blinken ( CN=Antony J. Blinken/OU=NSC/O=EOP @ EOP [ NSC ] )  
READ:UNKNOWN

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

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

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

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

TO: Ann F. Lewis ( CN=Ann F. Lewis/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.D55]MAIL44831323K.026 to ASCII,  
The following is a HEX DUMP:

FF5750432E050000010A020100000002050000004510000000020000229695A21EE6C73028B2CD  
BE17A948FA4E391D0A3B83B9EFAC367CC2337BF25776D4CF0941D58611703D12DB6A3C73272FD6  
BE9F980F2A0D014258BF2E103256EDF17F8E50D650D0E9C26EB8C247038AD97A0AFF39C86787C2  
AA240C9373477FF15D41441D4B9E21F99153C506D24AFC4B4C13ED767F00D2376FCDBB40A0E362  
8839E4AAB65458A64FF166E1B6BABB6374A003E49438234601002B1949B7946CB038481A81ED03

**THE WEEK AHEAD**

**February 2 - 8**

*(All items are subject to change.)*

**Monday (12/22):** President Clinton will submit his FY1999 budget proposal -- the first balanced budget in 30 years.

**Tuesday (12/23):** President Clinton will travel to New Mexico to visit Los Alamos and Albuquerque. While in Los Alamos, the President will visit the Los Alamos Advanced Supercomputer Center and will speak about the importance of investing in science and technology for the 21st century.

**Wednesday (12/24):** President Clinton will host a College-School Partnership event in the East Room, announcing the details of his proposal to encourage the mentoring of middle school and high school children to help them prepare for college.

**Thursday (12/25):** In the morning, President Clinton will attend the National Prayer Breakfast. Later in the morning he will greet Tony Blair, Prime Minister of the United Kingdom, at an arrival ceremony marking the beginning of the Prime Minister's first official state visit to the United States. In the afternoon, President Clinton and Prime Minister Blair will visit a school and highlight the use of technology in education for the 21st century.

**Friday (12/26):** The President and Prime Minister will conduct a press conference at the State Department.

**Saturday (12/27):** President Clinton's weekly Radio Address will be broadcast; possibly a joint radio address with Prime Minister Tony Blair (T).

**Sunday (12/28):** No message event scheduled.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1998 17:38:37.00

SUBJECT: bill analysis

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

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

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

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

TEXT:

NIH analysis of Feinstein bill and side by side.

----- Forwarded by Thomas L. Freedman/OPD/EOP on 02/02/98  
05:37 PM -----

Rachel E. Levinson

02/02/98 04:18:14 PM

Record Type: Record

To: Thomas L. Freedman/OPD/EOP  
cc:  
Subject: bill analysis

just got it.

----- Forwarded by Rachel E. Levinson/OSTP/EOP on  
02/02/98 04:17 PM -----

Skirboll @ od1tml.od.nih.gov

02/02/98 03:27:06 PM

Record Type: Record

To: levinson  
cc: wraub @ osaspe.dhhs.gov  
Subject: bill analysis

Here is our analysis of the Feinstein Bill and a side by side on all of the Bill be know about to date. (Bill the analysis of the Feinstein bill is slightly changed from the earlier version.) Please let us know if there is anything else you need.

lana

<<feinanalys.wpd>> <<Table4.wpd>>

Lana Skirboll, Ph.D.

NIH Associate Director for Science Policy



# SCIENTIFIC ANALYSIS OF CLONING BILL PROPOSED BY SENATOR FEINSTEIN

## A BILL

To prohibit any attempt to create a human being using somatic cell nuclear transfer, to provide for further review of the ethical and scientific issues associated with the use of somatic cell nuclear transfer in human beings, and for other purposes.

The phrase "attempt to create a human being" could be interpreted by certain factions as an attempt to create an embryo, although this distinction is cleared up in the prohibitions section.

### SECTION 1. Short Title

This Act may be cited as the "Prohibition on Cloning of Human Beings Act of 1998".

This title is succinct and accurate, unlike the titles of other bills, such as the "Human Cloning Prohibition Act" which could imply prohibition of inadvertent twinning of some infertility treatments.

### SEC. 2. Findings

This section accurately recounts the findings of the NBAC on cloning.

### SEC. 3. Purposes.

It is the purpose of this Act to—

- (1) prohibit any attempt to create a human being using somatic cell nuclear transfer cloning; and
- (2) provide for further review of the ethical and scientific issues associated with the use of somatic cell nuclear transfer in humans.

Once again, the phrase "attempt to create a human being" could be interpreted by certain factions as an attempt to create an embryo.

### SEC. 4. Definitions.

In this Act:

- (1) Cloning— the production of a precise genetic copy of a molecule (including DNA), cell, tissue, plant, animal or human.

Some scientists might argue that cloning is not a "precise" genetic copy, due to the invariable mistakes made in replicating DNA, and some would argue that a human is an animal, but this definition does not pose any negative implications for research.

(2) Nucleus—the cell structure that houses the chromosomes, and thus the genes.

Accurate for the purposes of this Act, but there are genes outside of the nucleus (mitochondrial genes.)

(3) Oocyte—the female germ cell, the egg.

Would this definition include immature oocytes? If it did not, this could possibly allow somatic cell nuclear transfer to create a human being to take place with an immature oocyte.

(4) Somatic cell—a mature, diploid cell.

Not entirely clear what “mature” means. If it means “differentiated” this would allow somatic cell nuclear transfer to create a human being using an undifferentiated embryo cell, which could allow for treatment of infertility due to mitochondrial diseases.

(5) Somatic cell nuclear transfer—transferring the nucleus of a somatic cell of an existing or previously existing human child or adult into an oocyte from which the nucleus has been removed.

This language could allow (if one does not consider an embryo an existing human child) the use of this technology to treat infertility due to mitochondrial defects. Perhaps a small point of semantics, but does “transferring the nucleus of a somatic cell” include the fusion of a somatic cell with an oocyte? This is how Dolly was created. Perhaps could clarify by adding “or fusion of a somatic cell with an oocyte from which the nucleus...”

#### SEC. 5. Prohibition.

It shall be unlawful for any person or other legal entity, public or private, to implant or attempt to implant the product of somatic cell nuclear transfer into a woman’s uterus.

This prohibition clearly states the scientific intent of the legislation, and avoids the question of when life begins or what “creating a human being” really means. It also clearly prohibits an act or an attempt at action, which is easy to assess, rather than an “intent” to act. This would protect researchers and others from being second-guessed about their intentions. This would allow the private sector to use somatic cell nuclear transfer technology to develop therapeutic cell lines for the treatment of many disorders via tissue transplantation. If the definition of somatic cell is interpreted as a differentiated diploid cell, and if “existing human child” is not interpreted to include an embryo, this would also allow the use of this technology to treat infertility due to mitochondrial diseases. One possible concern is that this would not prohibit attempts to implant such a product to an animal’s uterus.

#### SEC. 6. Protected Biomedical Research.

Nothing in this Act shall be construed to restrict areas of biomedical and agricultural research or

practice not expressly prohibited in this Act, including research or practices that involve—

- (1) the use of somatic cell nuclear transfer or other cloning technologies to clone molecules, DNA, cells, and tissues; or
- (2) the use of somatic cell nuclear transfer techniques to create animals.

The inclusion of the phrase “or practices” protects activities such as animal husbandry or IVF that may not be considered research. Allowing the use of this technology “to clone molecules, DNA, cells, and tissues” would allow the private sector to pursue this technology to develop therapeutic tissues as mentioned above. Allowing the use of this technology to create animals will allow the continuation of a thriving research base in animal husbandry and transgenic animals for the production of therapeutic products and animal models. However, as mentioned previously, one could argue that a human being is an animal.

#### SEC. 7. Penalties.

(a) In General—Any person who intentionally violates the provision of section 5 shall be fined the greater of \$250,000 or 2 times the gross pecuniary gain or loss resulting from the violation.

(b) Civil Actions—If a person is violating or about to violate the provisions of section 5, the Attorney General may commence a civil action in an appropriate Federal district court to enjoin such violation.

(c) Forfeiture—any property, real or personal, derived from or used to commit a violation or attempted violation of the provisions of section 5, or any property traceable to such property, shall be subject to forfeiture to the United States in accordance with the procedures set forth in chapter 46 of title 18, U.S. Code.

(D) Authority—The Attorney General shall have exclusive, nondelegable enforcement authority under this Act.

(E) Advisory Opinions—The Attorney General shall, upon request, render binding advisory opinions regarding the scope, applicability, interpretation, and enforcement of this Act with regard to specific research projects or practices.

This section uses phrases such as “attempted violation.” The prohibition already includes the attempt to implant the product to a uterus. Would this then allow civil actions or forfeitures of “attempts at attempts” and would this lead to the difficult question of intentions on a researcher’s part?

#### SEC. 8. Cooperation with Foreign Countries.

It is the sense of Congress that the President should cooperate with foreign countries to enforce mutually supported restrictions on the activities prohibited under section 5.

#### SEC. 9. National Bioethics Advisory Commission Report.

Not later than 4 ½ years after the date of enactment of this Act, the National Bioethics Advisory Commission shall prepare and submit to the President a report concerning—

- (1) the state of the science of somatic cell nuclear transfer;
- (2) the ethical and social issues associated with the potential use of this technology in

humans; and

(3) the advisability of continuing the prohibition established in the Act.

The Commission is authorized to continue for the 10-year period described in section 12 to prepare such a report and for other purposes as established in Executive order 122975 and subsequent amendments to such Order.

Suggest adding provisions for additional review by NBAC after the initial report, particularly since the first report may still find insufficient scientific evidence of safety. Language could state "Not later than 4 ½ years after the date of enactment of this Act, and at intervals after that as necessary,..." Perhaps could broaden the nature of the report to include the state of the science of cell and tissue therapies to further investigate the potential for this technology. "Executive order 122975" may include a typo—NBAC's Website states the EO number as 12975.

#### SEC. 10. Right of Action.

Nothing in this Act shall be construed to give any individual or person a private right of action.

#### SEC. 11. Preemption of State Law.

The provisions of this Act shall preempt any state law which prohibits or limits research or practices regarding somatic cell nuclear transfer, human cloning, cloning of molecules, DNA, cells, or tissues, the use of somatic cell nuclear transfer techniques to develop animals, or related research.

This would prohibit poorly written State laws from prohibiting the cloning of DNA, cells or tissues (as a recent Florida bill would have done) or from prohibiting the private sector from investigating this technology for the development of therapeutic tissues or cells.

#### SEC. 12. Effective Date.

This Act shall be effective for the 10 year period beginning on the date of enactment of this Act. The prohibitions contained in this Act shall terminate at the expiration of such 10-year period.

**COMPARISON OF PROPOSED CLONING LEGISLATION**

Bill Number	(White House)	(Feinstein)	HR 922	HR 923	S 368	S 1574
Title	Cloning Prohibition Act of 1997	Prohibition on Cloning of Human Beings Act of 1998	Human Cloning Research Prohibition Act	Human Cloning Prohibition Act	Human Cloning Prohibition Act of 1998	Human Cloning Prohibition Act
Sponsor	William Clinton (Not yet sponsored)	Dianne Feinstein (D-CA)	Vernon Ehlers (R-MI)	Vernon Ehlers (R-MI)	Christopher (Kit) Bond (R-MO)	Ben Nighthorse Campbell (R-CO)
Findings	NBAC Report	NBAC Report	none	none	none	Congress finds that the Federal Govt has a moral obligation to the nation to prohibit the cloning of humans.
Purposes	To prohibit any attempt to create a human being using somatic cell nuclear transfer cloning; and to provide for further review of the ethical and scientific issues associated with its use.	To prohibit any attempt to create a human being using somatic cell nuclear transfer cloning; and to provide for further review of the ethical and scientific issues associated with its use.	To prohibit the obligation or expenditure of Federal funds to conduct or support any project of research that includes the use of a human somatic cell nuclear transfer technology to produce an embryo.	To prohibit the cloning of humans.	To prohibit any attempt to create an embryo using human somatic cell nuclear transfer, protect research	To prohibit the cloning of humans.
Definitions	Cloning <sup>i</sup> ; Somatic cell <sup>ii</sup> ; Somatic cell nuclear transfer <sup>iii</sup>	Cloning <sup>iv</sup> , Nucleus <sup>v</sup> , Oocyte <sup>vi</sup> , Somatic cell <sup>vii</sup> , Somatic cell nuclear transfer <sup>viii</sup>	Human somatic cell nuclear transfer <sup>ix</sup> , Somatic cell <sup>x</sup>	none	Embryo <sup>xi</sup> , Human somatic cell nuclear transfer <sup>xii</sup> , Oocyte <sup>xiii</sup> , Somatic cell <sup>xiv</sup>	Clone & Cloning <sup>xv</sup>
Prohibitions	Unlawful for any public or private individual or entity to perform or use somatic cell nuclear transfer with the	Unlawful for any person or other legal entity, public or private, to implant or attempt to implant the product of somatic cell	Prohibition against obligation or expenditure of Federal funds to conduct or support any project of research that includes the use of	Prohibition against the use of a human somatic cell for the process of producing	Unlawful for any person or entity, public or private, to knowingly use human somatic cell	Unlawful for any person to clone a human being or conduct research for the purpose of cloning a

Bill Number	(White House)	(Feinstein)	HR 922	HR 923	S 368	S 1574
	intent of introducing the product into a woman's womb or in any other way creating a human being.	nuclear transfer into a woman's uterus.	a human somatic cell nuclear transfer technology to produce an embryo.	a human clone.	nuclear transfer to produce an embryo or to knowingly purchase or sell an ovum, embryo, or fetus for that purpose, or obligate or expend Federal funds on research that includes that purpose.	human being or otherwise creating a human embryo; no Federal funds may be obligated or expended to knowingly conduct or support any project of research for the above purposes.
Protected Research	The use of somatic cell nuclear transfer or other cloning technologies to clone molecules, DNA, cells, and tissues; or the use of somatic cell nuclear transfer techniques to create animals.	The use of somatic cell nuclear transfer or other cloning technologies to clone molecules, DNA, cells, and tissues; or the use of somatic cell nuclear transfer techniques to create animals.	The use of somatic cell nuclear transfer or other cloning technologies to clone molecules, DNA, cells, other than human embryo cells, or tissues; or the use of somatic cell nuclear transfer techniques to create animals other than humans.	none	The use of somatic cell nuclear transfer or other cloning technologies to clone molecules, DNA, cells, other than human embryo cells, or tissues; or the use of somatic cell nuclear transfer techniques to create animals other than humans.	none
Preemption of State Laws	none	Preempt any state law which prohibits or limits research or practices regarding somatic cell nuclear transfer, human cloning, cloning of molecules, DNA, cells, or tissues, the use of somatic cell nuclear transfer techniques to develop animals, or related research.	none	none	none	none

Bill Number	(White House)	(Feinstein)	HR 922	HR 923	S 368	S 1574
Penalties Specified	Fines (the greater of \$250,00 or 2X gross gain or loss), Civil Action by the AG, forfeiture of property derived from or used to commit act.	Fines (the greater of \$250,00 or 2X gross gain or loss), Civil Action by the AG, forfeiture of property derived from or used to commit act.	none	Civil money penalty not to exceed \$5,000.	Fines, up to 5 years in prison, forfeiture of property from or used to commit violation.	Civil money penalty not to exceed \$5,000 for each violation; ineligibility for Federal funds for 5 years after violation.
Effective Date	Date of Enactment--Applies to acts performed within 5 years after that date.	Act is effective for the 10 year period after the its enactment and will terminate at the expiration of 10 years.	none mentioned	none mentioned	none mentioned	none mentioned
Provisions for Review	Review by NBAC 4 ½ years after enactment, on the state of the science of somatic cell nuclear transfer, the ethical and social issues associated with the potential use of this technology in humans, and advisability of continuing the prohibition established in the Act.	Review by NBAC 4 ½ years after enactment, on the state of the science of somatic cell nuclear transfer, the ethical and social issues associated with the potential use of this technology in humans, and advisability of continuing the prohibition established in the Act.	Review by NRC in agreement with the Director of NSF, not later than 5 years after the date of enactment, on the impact that the implementation of the Act has had on research and recommendations for any appropriate changes to the Act.	none	Review by Directors of NSF and NIH in agreement with NRC, not later than 5 years after enactment, on the impact that the implementation of the Act has had on research and recommendations for any appropriate changes to the Act.	None
Status	Legislative package was transmitted to Congress on June 9, 1997.		The bill was introduced on March 5, 1997, and jointly referred to the House Committees on Commerce, and Science. Hearings on substitution held July 22, 1997. Marked-up and passed out of the House Science Committee July	The bill was introduced on March 5, 1997, and jointly referred to the House Committees on Commerce, and Science.		The bill was introduced on January 27, 1998 and referred to the Senate Committee on Labor and Human Resources.

Bill Number	(White House)	(Feinstein)	HR 922	HR 923	S 368	S 1574
			29, 1997.			

PREPARED BY OSP

- i. Cloning--the production of a precise genetic copy of a molecule (including DNA), cell, tissue, plant, animal or human.
- ii. Somatic cell--any cell of the body other than germ cells (eggs or sperm.)
- iii. Somatic cell nuclear transfer--the transfer of a cell nucleus from a somatic cell into an egg from which the nucleus has been removed.
- iv. Cloning--the production of a precise genetic copy of a molecule (including DNA), cell, tissue, plant, animal or human.
- v. Nucleus--the cell structure that houses the chromosomes, and thus the genes.
- vi. Oocyte--the female germ cell, the egg.
- vii. Somatic cell--a mature, diploid cell.
- viii. Somatic cell nuclear transfer--transferring the nucleus of a somatic cell of an existing or previously existing human child or adult into an oocyte from which the nucleus has been removed.
- ix. Human somatic cell nuclear transfer-- transferring the nucleus of a human somatic cell into an oocyte from which the nucleus has been removed or rendered inert.
- x. Somatic cell--a cell of an embryo, fetus, child, or adult which is not and will not become a sperm or egg cell.
- xi. Embryo--The developing organism from the time of fertilization, or from the time of the single cell stage at the inception of growth and development of an organism, until significant differentiation has occurred.
- xii. Human somatic cell nuclear transfer--transferring the nucleus of a human somatic cell into an oocyte from which the nucleus has been removed or rendered inert.
- xiii. Oocyte--the mature female germ cell, the egg.

---

xiv.Somatic cell–any cell of an embryo, fetus, child, or adult that is not a germ cell or is not destined to become a germ cell.

xv.Clone & Cloning–the practice of creating or attempting to create a human being by transferring the nucleus from a human cell from whatever source into a human cell from which the nucleus has been removed for the purpose of, or to implant, the resulting product to initiate a pregnancy that could result in the birth of a human being.