

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 024 - FOLDER -001

[02/06/1998]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Michael Waldman to Elena Kagan et al re: Social Security Draft [partial] (1 page)	02/06/1998	P6/b(6)
002. email	Paul Weinstein Jr. to Elena Kagan & Bruce Reed re: John Schnur (1 page)	02/06/1998	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[02/06/1998]

2009-1006-F
eh206

RESTRICTION CODES

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

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

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

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

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Waldman (CN=Michael Waldman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 6-FEB-1998 15:08:18.00

SUBJECT: SOCIAL SECURITY DRAFT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Withdrawal/Redaction Marker

Clinton Library

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001. email	Michael Waldman to Elena Kagan et al re: Social Security Draft [partial] (1 page)	02/06/1998	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[02/06/1998]

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eh206

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

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

READ:UNKNOWN

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

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

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

TEXT:

P6(b)(6)

[001]

Draft 2/5/98 3pm
PRESIDENT WILLIAM J. CLINTON
REMARKS ON SOCIAL SECURITY
GASTON HALL, GEORGETOWN UNIVERSITY
WASHINGTON, DC
February 9, 1998

Acknowledgments:

When I first ran for President 6 years ago, I came to this hall to set out my goals for our nation. And throughout my Presidency, I have returned here regularly to describe my vision for meeting some of the nation's most demanding challenges. Each time, I have told you about the most important thing I learned when I was a student at Georgetown. It was from a Professor named Carroll Quigley, and he called it "future preference", -- the uniquely American belief that the future could be better than the past, and that we had a duty to make it so.

There is no better example of "future preference", than our opportunity, and our duty, to save Social Security and strengthen our nation for the 21st Century.

Social Security is far more than a line in a budget. It reflects our deepest values as a society -- the duty we owe to our parents, to one another, and to the next generation, and our determination to move forward together as one nation. Social Security has been there, strong and sound, for America's parents in the 20th Century; I am determined that it will be just as strong and just as sound for our children in the 21st Century. That is our next great national mission.

We are entering the new century and new millennium with strength and restored confidence. The Information Age, a growing global marketplace, a new economy are changing the way we live and work. The pace and scope of change probably seems commonplace to you but to those of us who are a little bit older, it is remarkable.

For decades indeed, since before most of you were born America had failed to master these changes. There were many signs crime, welfare but the most potent symbol of this failure was the budget deficit. We seemed destined to leave our children a legacy of debt.

I took office five years ago determined to set a new course. We were determined to move past the sterile debate between those who said government is the enemy, and those who said government is the answer. As Prime Minister Blair and I stressed during our visit this past week, we have found a third way. We created a new kind of government for the information age -- smaller, less bureaucratic, focused on giving our people the tools to make the most of their own lives.

For five years, with disciplined cuts and dramatic reduction in the size of government, we dramatically reduced the budget deficit.

And at the same time, we invested in our people. Over five years, we made student loans less expensive and easier to repay dramatically increased Pell Grants scholarships created AmeriCorps, which has allowed 100,000 young people to earn money for college by serving their community ... created tax free savings accounts for college education and last year enacted the Hope Scholarship, a \$1500 tax credit for the first two years of tuition and a lifetime learning tax cut to help pay for junior year, senior year and graduate school. For the first time in our history, we are saying to you and every young American: regardless of your income, you can go to college.

These policies have helped create the strongest American economy in a generation. We have nearly 15 million new jobs -- over 1 million in the last three months alone; the lowest unemployment in 24 years; the lowest core inflation in 30 years. Incomes are rising again.

And next year, we will balance the budget. I have submitted to the Congress for 1999 the first balanced budget in 30 years.

This is a remarkable achievement for our nation. But the job of fiscal responsibility is not finished. I have long argued that after we balance the budget, we then must address the long-term challenge of saving Social Security. We are balancing the budget -- and it has created a moment of prosperity. There is an old saying: "You don't wait for a rainy day to fix the roof." Well, it's a sunny day -- so let's get busy.

What should we do with the budget surplus, which is now estimated to be \$1 trillion over a decade? I have given a simple, four word answer: Save Social Security First. We should reserve every penny of any surplus until we have acted to save Social Security. We should not squander the surplus on tax cuts or short-term spending until we know we are ready to meet our most important long-term obligation. In fact, we may need these funds as part of a full initiative to save Social Security.

We must save Social Security first, because it has been so vital to our nation.

It is hard for our generation to understand this, but early in this century, to be old meant to be poor. [Story, anecdote, or description to come of life when being old meant being poor.]

When President Franklin Roosevelt proposed Social Security, he called it a "cornerstone" of a civilized society. For half a century, strengthened by succeeding generations and administrations, Social Security has been a dramatic success. It has cut the rate of poverty of the elderly by two thirds. Even in this prosperous time, if Social Security did not exist, half of elderly Americans would be poor.

But it is well known that broad social changes □) many of them good □) will put new stresses on this safety net.

First, the Baby Boomers □) the millions of Americans born in the years after World War II □) are getting gray and within a decade will begin retiring. In 1960, there were more than five active workers supporting every retiree. Today, there are just over three. And in 30 years, for every person drawing Social Security, there will be only two people in the workforce. [chart #1]

Second, Americans are simply living longer. If you were 65 the year Social Security was created, your life expectancy at birth was around 50 years. You were lucky, and in the minority, to reach 65. The life expectancy of someone born that year [1935] was 71 years. The life expectancy of a child born today is over 80 years. [chart #2]

Let me go on the record: Living longer is a good thing! But it means more Americans will be drawing Social Security, and for far longer than ever before.

Here is the bottom line. Today, Social Security is sound. It will remain sound for decades. But as the Baby Boomers retire, its condition will worsen. And in the Year 2029 □) 31 years from now □) the Social Security Trust Fund will be depleted. There will only be enough money to pay for about 75 cents on the dollar of the benefits owed to those who are retired. [chart #3]

There is no Social Security crisis. But there is an obligation -- and an opportunity -- to act. I am confident we can do it. And I am determined that we begin now, for the changes necessary will be far easier, far simpler, than if we wait until the problem is close at hand.

We must summon the concentrated civic energy of the American people. We must join together to squarely face the facts. We must fully understand and fairly debate the many ways we can strengthen Social Security. And we must join our wills to act.

Vice President Gore and I will participate in four nonpartisan regional forums over the next year to educate the public and stimulate debate on how to save Social Security. They will be organized by the American Association of Retired Persons, AARP, the nation's leading voice for older Americans and by the Concord Coalition, the nation's leading voice for fiscal discipline, founded by Senator Warren Rudman and the late Sen. Paul Tsongas. John Rother, the director of the AARP, and Sen. Rudman are here with us today. I would like to recognize them, and thank them for agreeing to lead this national mission.

The purpose of the first forum will be to set out before the American people the full nature of the problem. It will take place in April, in [Kansas City, Missouri].

Then, in subsequent forums, we will hear from a variety of experts and average citizens □) to begin grappling with the choices we must make and the changes we must consider.

This national call to action must spread to every corner of the country. I ask every Member of Congress of both parties to host forums in their districts too. Other private groups must play a role. The Pew Charitable Trust has launched a vital public information campaign □) Americans Discuss Social Security □) and I will address their meetings by

video in March.

In December, we will take the next step) convening a historic White House Conference on Social Security.

And in one year, I will call together the Republican and Democratic leaders of the House and Senate to begin drafting comprehensive, bipartisan, landmark legislation to save Social Security.

I believe this national effort to save Social Security will call on the best in our people. It will ask us to rise above partisanship and petty politics. It will ask us to plan for the future, to be willing to consider new ideas -- to act, as President Roosevelt said, in a spirit of **bold, persistent experimentation.** It will remind us that there are some challenges that can only be met as one nation, acting through our government.

So to older Americans, who are retired or near retirement today, I say) you have nothing to worry about. Social Security is as strong as it has ever been.

To Baby Boomers, my generation, I say) we must act now to provide for ourselves, but even more, to provide for our children. This is a test for our generation, and one that we should welcome.

To younger people, who have made it clear that you believe you are more likely to see a UFO than a Social Security check, I say) you,ve been watching the +X files, too much. We will strengthen Social Security. We will make certain it is there for you, too.

Acting today for future generations is the oldest of American traditions. It is what we did when Thomas Jefferson purchased the territory west of the Mississippi ... when, at the height of the Civil War, Abraham Lincoln created a system of land-grant colleges ... when we acted a quarter century ago to protect our environment. It is what we Americans did, in the depths of the Depression, when we built a Social Security system that reflected our values and that has lasted to this day. And it is what we will do when we strengthen that system, saving Social Security so that it goes strong into the 21st Century.

Thank you etc.

LEGISLATIVE PROPOSALS

Medicare Buy-in

- Work to ensure passage of legislation 5, 1998 through the Congress.
- Finalize the legislative drafting process with Members who have indicated a desire to introduce this legislation, (including Senator Moynihan).
- Attempt to attract Republican support and interest, focusing particular efforts with Sen. D'Amato and Rep. Nancy Johnson who are on committee's of jurisdiction.
- Consider endorsing the Hill version of the President's proposal in a public event with Senator Moynihan.
- Review options to respond to policy concerns raised by opponents and consider any adjustments to the legislation that would increase support for this initiative.
- Continue to work to get elite validators to praise this policy and to counter criticisms that it will hurt the Medicare program, cause early retirement, or cause employers to drop private coverage.
- If it becomes clear that passing legislation on this issue is not viable, ensure that this remains a good political issue for the Democrats in the upcoming year and that it is included in the final recommendations of the Medicare Commission in March, 1999.

Consumer Protections

- Work to ensure passage of this legislation before the Congress adjourns this year.
- Develop a strategy to work with Democrats and moderate Republicans who are looking for a reasonable alternative to the Norwood bill to determine if there is a legislative vehicle we can help facilitate working through the Congress.
- Work with elite validators and others to prepare to counter any attacks that this will raise health insurance premiums and cause more people to become uninsured.
- Continue to develop executive/administrative actions to ensure the Federal government provides quality health care and is fully in compliance with the consumer bill of rights and draw attention to this issue.
- If it proves that passing a bill is not a viable legislative option this year, create the environment so that this continues to be a good issue for the Democrats and that it is on the top of the legislative agenda for the following year.

Medicare Cancer Clinical Trials

- Develop legislative strategy to ensure this proposal is passed before Congress adjourns this year.
- Ensure that advocates of this proposal understand its link to tobacco legislation and increase their support for overall tobacco legislation.
- Work with cancer advocacy community as well as medical researchers to raise awareness about the importance of this issue and validate the President's proposal.
- Work with co-sponsors Senators Mack and Rockefeller and Rep. Nancy Johnson and Ben Cardin to continue to increase bipartisan support for this proposal.
- Highlight through President's AAAS speech on cancer and tobacco.
- Use unprecedented Cancer March in Washington this fall to underscore the President's and Vice President's commitment to cancer.

21st Century Research Fund for America

- Work with advocates to ensure they recognize that a multi-year investment in biomedical research depends on national tobacco legislation.
- Work with NIH to highlight some of the important contributions this funding could make to the prevention, treatment, and possibly cures of important diseases.
- Continue to highlight the President's commitment in this area so that even if Congress allocates more dollars in this area (as we expect they will), the President will get credit for his commitment to biomedical research.

Children's Health Outreach

- Pass legislation before Congress they adjourn this year that provides resources and incentives for states to target and enroll uninsured children who are eligible for Medicaid or the new Children's Health Insurance Program.
- Work with the Congress, children's advocates, Governors, providers, foundations, and other supporters to increase support for this legislation.
- Target lead bipartisan co-sponsors for this legislation on the Hill.
- Continue to develop administrative initiatives that can help enroll more uninsured children in Medicaid or the new children's health program.
- Highlight new states coming into the program and new outreach initiatives.

AIDS

- Work with Congress and community to ensure the President's proposed \$165 million increase in AIDS prevention and treatment is passed in the Congress.
- Following up on the Vice President's request that HCFA determine the feasibility of extending promising new therapies to people with AIDS through Medicaid which raised expectations in the AIDS community, we will continue to work with HCFA and AIDS community to develop other ways to extend these therapies to more people with AIDS.

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Hex-Dump Conversion**

- Develop a viable strategy to deal with the issue of Federal funding for needle exchange.

Confidentiality Legislation

- Work to enact legislation on this issue before Congress adjourns.
- Provide technical assistance to Republicans and Democrats and help develop compromises to difficult issues with regard to privacy and continue to move forward on this issue.
- Target bipartisan legislation with a probable focus on legislation introduced by Senator Bennett.
- Work with HHS and Justice Department to develop an acceptable compromise on the law enforcement issue.
- Contemplate highlighting this issue through a public event.
- Determine the best legislative vehicle -- whether this should be folded into the larger consumer protection's legislation or possibly in conjunction with genetics legislation.

Genetic Anti-Discrimination Legislation

- Work to pass legislation to prevent both employers and health plans from using genetic discrimination.
- Work with Democrats and Republicans to develop broader support for this legislation.
- Work with NIH to continue to highlight the importance of this issue through op-eds by validators and other public statements.
- Determine most likely legislative vehicle for this legislation -- whether it be freestanding, attached to privacy legislation, or as part of consumer protections.
- Contemplate an Executive Order which ensures the Federal government does not discriminate -- either with regard to health insurance or employment -- on the basis of health insurance.

Medicaid Provider Tax Issue

- Encourage Congress to pass legislation to give the Secretary more authority to waive any past Medicaid dollars owed by states to the Federal government and encourage state Medicaid programs to come into compliance in the future.
- Highlight the fact that if this legislation does not pass, the Secretary will have to take steps to enforce this issue, both prospectively and retrospectively.
- Work with Senator Moynihan, Senator Damato, and Congressman Rangel to develop legislation as this has a particular impact on the state of New York.

Medicare/Medicaid Fraud and Abuse

- Work to pass the President's fraud and abuse legislative proposals.
- Continue to develop Executive/Administrative actions to reduce fraud, abuse, and waste.

Race and Health Initiative

- Roll out this initiative in radio address hopefully with Dr. Satcher, who may be confirmed as Surgeon General by then
- Work to get the most support from the minority community and the public health community.
- Ensure that the minority community gets invested in working with HAS to implement this initiative and take steps within the private community.
- Ensure that strategies learned in the demonstrations are applied across the public health programs in the Department.

NON-LEGISLATIVE PROPOSALS

Children's Health Implementation and Outreach

- Continue to work to implement the \$24 billion program to provide coverage for up to five million children.
- Work with states, providers, children's advocates, foundations and others to sign up the three million children who are currently eligible for Medicaid but not enrolled.
- Work with HCFA to approve state plans for the new Children's Health Insurance Program (CHIP) and determine appropriate circumstances for a waiver.
- Continue to send guidance to states and advocates on the new children's health program.
- Continue to highlight the program's early successes.
- Develop additional administrative/executive actions to help more uninsured children enroll in either in CHIP or Medicaid.

Medicare Reform Implementation

- Work with HCFA to ensure the historic Medicare reforms in the Balanced Budget are enacted in a timely, coordinated manner.

Medicare Commission

- Work with NEC to develop materials for Commission members.
- Develop a close constructive working relationship with Congressman Thomas, and Senator Breaux.
- Work with the Commission and the Congress to create an environment for widespread consensus on broad-based Medicare reforms that most Democrats can support.

FDA Commissioner

- Develop internal and Congressional process to create support for FDA nomination.

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 11:48:10.00

SUBJECT: H.R. 1428 -Voter Eligibility Verification - HOUSE FLOOR ACTION

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Elena,

We should know by the end of the day today whether Justice is going to add the "would recommend veto" language to their testimony. We will have until the end of the day Monday to review their language. According to Ingrid, Peter has given some thought to an accompanying Senior Advisor's veto threat. Ingrid does not think that we need to make any decisions about that piece asap, but we probably should make our decision sooner rather than later.

Julie

----- Forwarded by Julie A. Fernandes/OPD/EOP on 02/06/98
11:48 AM -----

INGRID M. SCHROEDER

02/06/98 11:27:41 AM

Record Type: Record

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

cc: James J. Jukes/OMB/EOP, James C. Murr/OMB/EOP, Peter G. Jacoby/WHO/EOP

Subject: H.R. 1428 -Voter Eligibility Verification - HOUSE FLOOR ACTION

H.R. 1428 - Voter Eligibility Verification - is scheduled for House floor action next week (probably Wednesday). H.R. 1428 would require the Attorney General and the Commissioner of SSA to establish a voter eligibility verification system to confirm the citizenship of voter registration applicants. The bill also would permit election officials to: (1) require voter registration applicants to provide proof of citizenship; and (2) verify the citizenship of voter registration applicants through the system established by the AG and SSA.

The Department of Justice and SSA strongly opposed H.R. 1428 in testimony before the House Judiciary Immigration Subcommittee on June 25, 1997. The testimony stated that the bill may raise barriers for U.S. citizens to exercise their right to vote and would require a cumbersome verification process dependent on the SSN and databases not suited for determining voter eligibility.

We are working with Justice to produce a draft SAP which will be circulated for WH and interagency review. Because this legislation is clearly moving through Congress, SSA now wants to change its earlier position of "strongly oppose" to "would recommend veto" (Justice is

checking to see if the AG intends to join in the veto recommendation).

Message Sent

To:

Steven M. Mertens/OMB/EOP
Jack A. Smalligan/OMB/EOP
Matthew McKearn/OMB/EOP
Maya A. Bernstein/OMB/EOP
Daniel J. Chenok/OMB/EOP
Bruce W. McConnell/OMB/EOP
Steven D. Aitken/OMB/EOP
William P. Marshall/WHO/EOP
Julie A. Fernandes/OPD/EOP
Leanne A. Shimabukuro/OPD/EOP
Jose Cerda III/OPD/EOP
Alice E. Shuffield/OMB/EOP
Lisa M. Kountoupes/OMB/EOP
Charles Konigsberg/OMB/EOP
Joseph G. Pipan/OMB/EOP
Evan T. Farley/OMB/EOP
Paul J. Weinstein Jr./OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 11:29:23.00

SUBJECT: Coverdell legislation

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

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

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

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

TEXT:

i am forwarding issues raised about coverdal by the aft --- would someone let me know where we are and whether you have spoken w/ aft's legislative rep. thanks, karen

virginia -- would you provide this to whoever is working this issue in your office . thanks

----- Forwarded by Karen Tramontano/WHO/EOP on 02/06/98
11:25 AM -----

ggeorges @ aft.org
02/06/98 09:35:00 AM

Record Type: Record

To: Karen Tramontano
cc:
Subject: Coverdell legislation

Karen-

I know there's a lot going on there, so I thought you might find it easier to talk via e-mail...

Sandy is concerned about developments on the Hill over the Coverdell-Torricelli education "IRA savings account" legislation. She asked that I check in with you (I know that our legislative director, Jerry Morris, also has a call into Larry Stein).

The questions are as follows:

1. Knowing that the President issued a veto threat on Coverdell before the recess (and before discussions of trying to come up with a compromise on the bill between D and R leadership heated up), does the President still maintain his commitment to vetoing the legislation in its initial form?
2. Now that discussions of a compromise have surfaced (even though there appears to be no agreement at this time), if K-12 school tuition were

removed from the legislation, would the President's position still be to veto the legislation?

Obviously, the AFT would urge that, should it reach his desk, the President veto any form of this legislation -- including one that takes K-12 tuition out. A compromise such as this merely opens the door for Congress to come back at another time and expand the provision to include K-12. We view this as a dangerous opening to vouchers.

Thanks for your time on this. It's of utmost concern to Sandy.

-Gigi

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

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)
id <01IT9759U25S00GX80@PMDF.EOP.GOV> for tramontano_k@a1.eop.gov; Fri,
06 Feb 1998 09:47:07 -0500 (EST)

Received: from storm.eop.gov (storm.eop.gov)
by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IT9757EZIO00JZXX@PMDF.EOP.GOV> for
tramontano_k@a1.eop.gov; Fri, 06 Feb 1998 09:47:03 -0500 (EST)

Received: from relay7.UU.NET ([192.48.96.17])
by STORM.EOP.GOV (PMDF V5.1-7 #6879)
with ESMTP id <01IT974UCTK0001LBH@STORM.EOP.GOV> for tramontano_k@a1.eop.gov;

Fri, 06 Feb 1998 09:46:46 -0500 (EST)

Received: from uucpl.UU.NET by relay7.UU.NET with SMTP
(peer crosschecked as: uucpl.UU.NET [192.48.96.39]) id QQebol21724; Fri,
06 Feb 1998 09:46:45 -0500 (EST)

Received: from aftermail.UUCP by uucpl.UU.NET with UUCP/RMAIL ; Fri,
06 Feb 1998 09:46:47 -0500

Received: from aft.org by aft.org; Fri, 06 Feb 1998 09:56 -0500 (EST)

Received: by HQRAS1 with Internet Mail Service (5.0.1457.3) id <1J2PPYOM>; Fri,

06 Feb 1998 09:47:08 -0500

X-Mailer: Internet Mail Service (5.0.1457.3)

X-Priority: 3

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 19:07:16.00

SUBJECT: Food Safety Briefing

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

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

TEXT:

I have faxed you a copy of the materials that HHS and USDA plan on distributing at the food safety briefing for the constituency groups on Tuesday, February 10. OMB is reviewing it and will let me know if they have any problems by Monday. Let me know if you have any comments or changes to the document. Thanks, Mary

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 12:01:35.00

SUBJECT: 1-Pager on Today Jobs/Unemployment Report

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TO: Nancy V. Hernreich (CN=Nancy V. Hernreich/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

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

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

TO: Steven A. Cohen (CN=Steven A. Cohen/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

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

READ:UNKNOWN

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

TO: Rebecca A. Cameron (CN=Rebecca A. Cameron/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: Marsha E. Berry (CN=Marsha E. Berry/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: Barry B. Anderson (CN=Barry B. Anderson/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

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

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

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

TO: Laura Emmett (CN=Laura Emmett/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: Andrei H. Cherny (CN=Andrei H. Cherny/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

TO: Michael V. Terrell (CN=Michael V. Terrell/OU=CEQ/O=EOP @ EOP [CEQ])
READ:UNKNOWN

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

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

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

READ:UNKNOWN

TO: Roger V. Salazar (CN=Roger V. Salazar/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

TO: Daniel K. Tarullo (CN=Daniel K. Tarullo/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

TO: Betty W. Currie (CN=Betty W. Currie/OU=WHO/O=EOP @ EOP [WHO])

MORE JOBS, HIGHER WAGES, AND LOW INFLATION AMERICA'S ECONOMY CONTINUES TO GROW STEADY AND STRONG

February 6, 1998

TODAY, THE LABOR DEPARTMENT ANNOUNCED THAT THE ECONOMY CREATED 358,000 NEW JOBS LAST MONTH, THE UNEMPLOYMENT RATE REMAINED AT A 24-YEAR LOW, AND WAGES CONTINUED TO RISE. The economy as strong as its been in a generation. It is clear that President Clinton's three-part economic strategy -- reducing the deficit, investing in our people, and tearing down foreign barriers to American goods -- is working for America's working families.

- ***1.1 MILLION NEW JOBS IN PAST 3 MONTHS -- MORE THAN 14.7 MILLION NEW JOBS UNDER PRESIDENT CLINTON.*** In the past three months, the economy added 1.1 million new jobs -- 358,000 new jobs last month alone. During the Clinton Administration, the economy has added 14.7 million new jobs -- a faster annual rate of job growth (2.5 percent per year) than *any* Republican Administration since the Roaring 1920s. The economy has added 3.3 million jobs over the past year. [Source: Based on data from the Bureau of Labor Statistics, Current Employment Statistics survey.]
- ***STRONG PRIVATE-SECTOR JOB GROWTH.*** Last month, the economy added 349,000 private-sector jobs. Since President Clinton took office, the private sector of the economy has added 13.7 million new jobs -- with 3.0 million jobs added in the past year. Under President Clinton, 93 percent of the 14.7 million new jobs under President Clinton have been in the private sector -- that's a higher percentage than any Administration since President Warren G. Harding. [Source: Based on data from BLS.]
- ***REAL WAGES RISING AGAIN.*** After stagnating or declining for years, real wages are rising again. Over the past 12 months, wages have risen 3.8 percent -- that's twice as fast as the rate of inflation. [Source: BLS]
- ***UNEMPLOYMENT REMAINED 4.7 PERCENT -- ITS LOWEST LEVEL IN 25 YEARS.*** The January unemployment rate was 4.7 -- its lowest level since 1973. The unemployment rate has been below 6 for 41 consecutive months and at or below 5 for 10 months now with no signs of inflationary pressures. In 1992, the unemployment rate was 7.5. [Source: BLS.]
- ***TURNING THE CORNER IN BASIC AMERICAN INDUSTRIES.*** Under President Clinton, basic American industries, such as construction and autos, are coming back and leading the world.
 - ***1.3 Million New Construction Jobs.*** After losing 667,000 jobs in construction during the previous four years, more than 1.3 million new construction jobs have been added since January 1993 -- that's a faster annual rate than any other Administration since Harry S Truman was President.
 - ***149,000 New Automobile Jobs -- Leading The World Once Again.*** After losing 35,000 jobs in the auto industry during the Bush years, we have 149,000 new auto jobs under President Clinton. For the first time since the 1970s, America has led the world in auto production for four years in a row.
 - ***612,000 New Manufacturing Jobs.*** After losing 2.1 million manufacturing jobs during the Reagan-Bush years, the economy has created 612,000 new manufacturing jobs under President Clinton.
- ***SPREADING PROSPERITY TO MORE AMERICANS.*** Under President Clinton, the African-American unemployment rate has fallen from 14.1 percent to 9.3 percent -- its lowest level in 25 years. And the Hispanic unemployment rate has dropped from 11.3 percent to 6.9 percent --

its lowest level on record. [Source: Bureau of Labor Statistics, Current Population Survey.]

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

Dr. Satcher's Confirmation Vote. Next Tuesday, the Senate is scheduled to vote on Dr. Satcher's nomination to become Surgeon General. Our current vote count is 66 votes and we believe that we may get more than 70. Should Dr. Satcher be confirmed, this would fill an approximately three year void in the Surgeon General position. We are currently considering recommending a picture of you and/or the Vice President swearing Dr. Satcher in for this post.

Congressman John Dingell Update. Following up on your conversation with John Dingell, Larry Stein, Bruce Reed and Chris Jennings met with the Congressman on Thursday to discuss prospects of and strategy for the consumer protections legislative debate and Mr. Dingell's role on the Medicare Commission. It was agreed that the Administration would continue to give technical assistance to the House Democratic Caucus consumer protections bill as well as to make positive statements about it without giving an all out endorsement. The current bill goes farther than is likely to be passed in the Congress and may well be vulnerable to criticisms from the business community about excessive costs and regulations. As of yet, we have avoided having to take a position on most of the controversial positions in Dingell's bill. We informed Dingell about our concerns of an overly costly bill. He said he appreciated the feedback on the strengths and weaknesses of the bill and was pleased we would say positive things about his efforts in this area.

Automated Records Management System
Hex-Dump Conversion

February 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

RE: DPC Weekly Report

Education -- National Testing: Goodling's bill to prohibit further development of national tests without specific authorization, beyond what was explicitly agreed to in the FY98 appropriations bill, passed by a vote of 242-174. Twenty-five Democrats (mostly conservative) joined all but 2 Republicans to support Goodling. Both the Black and Hispanic Caucuses opposed Goodling's bill, partly in recognition of the substantial and targeted education investments in your budget, and partly because they viewed Goodling's bill as a partisan effort to embarrass the Administration. However, this vote does not represent a fundamental change in position for either caucus; when we face more substantive votes on national tests in the future, we will not gain their votes without address their policy concerns, such as a ban on high stakes testing and development of Spanish-language reading tests.

Education -- Coverdell Education IRA's: *(Laura and Elena: consider this a placeholder until after the meeting on Friday with Erskine).* Coverdell's proposal for education IRA's will be marked-up by the Senate Finance Committee next week.....

Child Care -- Current Legislation. On Thursday, Senator Dodd and a group of 24 Democratic Senators introduced child care legislation similar both to your proposal and to the Chafee bill introduced last week. While the Dodd bill is substantially similar to your child care initiative, it has some differences: (1) the dependent care tax credit is made refundable and reformed to provide assistance to stay-at-home parents; (2) the Family and Medical Leave Act threshold is lowered to cover businesses of 25 or more employees; (3) after-school programs are enhanced both through the 21st Century Learning Center Program and through a set-aside in the block grant; and (4) a new fund is created to promote public-private partnerships in child care. In addition, on Tuesday, Congresswoman Nancy Johnson introduced the Chafee bill in the House.

Drugs – Home Drug Tests: Next week, HHS/FDA is planning to release a proposed regulation for “home drug test kits.” HHS/FDA intends to codify its policy of the past year to allow manufacturers to market these kits without prior FDA approval so long as they meet 3 conditions:

1. That one of the more than 200 already FDA-approved testing procedures is used;
2. That one of the 70 FDA-certified labs determine the results; and
3. That the kits themselves be accurately labeled.

Interested parties will have 90-days to comment on this proposed regulation, and HHS/FDA will also conduct a public hearing on home drug test kits during this time -- and before issuing a final regulation. Under the proposed regulation, Sunny Cloud -- the individual who initially challenged HHS/FDA's -- could continue to market her home drug test kits; however, proponents of hair testing, which is not currently approved by the FDA, are likely to be unhappy with the regulation. The proposed regulation has no impact on law enforcement-related drug tests.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 10:12:31.00

SUBJECT: Jeffords Hearing alert

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

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

TEXT:

HHS has now been asked to testify at Jeffords Tuesday hearing. They've been asked to send reps from FDA, CDC, Health Care, Assist, and NIH. Kennedy has asked them to slam the Jeffords bill.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 09:26:49.00

SUBJECT: Here's a public one pager on cost allocation--courtesy of Jeanne Lambrew a

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

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

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

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

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

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

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

TEXT:

----- Forwarded by Cynthia A. Rice/OPD/EOP on 02/06/98
09:24 AM -----

Jeanne Lambrew
02/06/98 09:19:25 AM
Record Type: Record

To: Cynthia A. Rice/OPD/EOP
cc:
Subject: Re: Cost allocation paper

here is the computer file. Thanks for your help!

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D4]MAIL45815363A.026 to ASCII,
The following is a HEX DUMP:

FF57504300060000010A02010000000205000000FB17000000020000D483A57F133175B64F72C7
4B6132855A61FEE06E6D9EC380C414502FCEB170EC521F3824FCFFFAB7F49A218F97C9037C17F
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50FA0A1390CD371A2C7EAE7372595F8AED62039B69A2D6912E1EB67AEDBFB37BC7B5BD5D1A3108
F86BA510E35D75AD0E329F4B0AA34AD6F3A8B905174B872A9AA796CDE8C7D24B5857B490CD95CE

ALLOCATION OF ADMINISTRATIVE COSTS IN STATE PROGRAMS

The President's budget proposes a new method of allocating administrative costs that shifts some costs from the capped TANF grants to Medicaid and Food Stamps without increasing Federal spending. Under current practice, common administrative costs are to be paid for by TANF or absorbed by the States and not charged to Medicaid or Food Stamps. To ensure that Federal Medicaid and Food Stamps spending does not rise above projected spending without this cost shift, the budget would adjust the matching rate for administrative costs from 50 to 47 percent.

- **No overall reduction in Federal administrative spending.** This proposal does not "cut" Federal administrative support for States. The proposal simply changes the way that such costs are matched, moving some of the common administrative costs that would have been borne by the States or TANF to the open-ended Medicaid and Food Stamps programs while lowering the Medicaid and Food Stamps matching rate. Thus, States will receive the same amount of Federal matching funds they would have received under previous cost allocation policies. States will still receive their entire TANF block grant, with cost allocation freeing up limited TANF resources and State funds for other uses.
- **No effect on children's health outreach funding.** The President's budget also proposes to allow States to draw down extra Federal matching from a special fund so that the matching rate for children's health outreach will be 90 percent up to a limit. In fact, the President's budget gives States additional resources and flexibility for outreach.

BACKGROUND

- Before welfare reform, States charged most common administrative costs of AFDC, Medicaid and Food Stamps to their AFDC budget. Because the matching rate for all of these open-ended programs was the same, States would receive the same Federal matching funds regardless of which program paid for these common costs.
- However, welfare reform has changed this equilibrium. TANF consolidated cash assistance, related programs, and administrative expenditures into a fixed block grant. Under current policy, all common administrative costs have to be absorbed within the block grant (within certain limits on administrative expenses) or paid by the States. Many States have sought to allocate some of the common administrative costs to Medicaid and Food Stamps.
- Both OMB and CBO baselines include Federal cost increases from States' shifting administrative costs from the capped TANF block grant to the open-ended Food Stamp and Medicaid programs. Conservative estimates suggest that this will increase Federal costs by at least \$3 billion over the next five years in the baseline.
- The budget proposes to recognize the new structure and to change allocation practices, and adjusts the administrative matching rate in Food Stamps and Medicaid from 50 percent to 47 percent to account for this cost shift from TANF. The total savings from the matching rate change equals the total cost increases resulting from the new cost allocation practices. In the aggregate, this means that States will receive the same amount of funding they would have received under the previous cost allocation policy.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 13:36:08.00

SUBJECT: Rumors about MN settlement

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

TO: Barbara D. Woolley (CN=Barbara D. Woolley/OU=WHO/O=EOP @ EOP [WHO])
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: Charles F. Stone (CN=Charles F. Stone/OU=CEA/O=EOP @ EOP [CEA])
READ:UNKNOWN

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

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

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

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

TEXT:

At yesterday's tobacco strategy meeting several people mentioned rumors about a possible settlement in the MN case. I have checked with a couple of senior members of Humphrey's staff and they told me that there are currently no discussions with the industry about a settlement of their case nor are they expecting any, that Humphrey has been on record for some time about what it would take to settle the case (I'll let you just imagine the terms), and that the state has at least another month to go in presenting its case.

While I hadn't heard any MN rumors, I have heard rumors about a major announcement in the next 2 months from the Justice criminal investigation.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 14:51:51.00

SUBJECT: Cloning - Reaction from Groups

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

What I'm hearing from folks is that because we have a great budget on research by remaining silent it makes us look silly. Need to get someone Klausner or Varmus to speak out on this. Groups are ok with Feinstein/Kennedy bill. All the research community are anti the republican bill, even the biotech community.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. email	Paul Weinstein Jr. to Elena Kagan & Bruce Reed re: John Schnur (1 page)	02/06/1998	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[02/06/1998]

2009-1006-F
ch206

RESTRICTION CODES

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

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

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

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

RR. Document will be reviewed upon request.

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

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

February 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

RE: DPC Weekly Report

Education -- National Testing: Goodling's bill to prohibit further development of national tests without specific authorization, beyond what was explicitly agreed to in the FY98 appropriations bill, passed by a vote of 242-174. Twenty-five Democrats (mostly conservative) joined all but 2 Republicans to support Goodling. Both the Black and Hispanic Caucuses opposed Goodling's bill, partly in recognition of the substantial and targeted education investments in your budget, and partly because they viewed Goodling's bill as a partisan effort to embarrass the Administration. However, this vote does not represent a fundamental change in position for either caucus; when we face more substantive votes on national tests in the future, we will not gain their votes without address their policy concerns, such as a ban on high stakes testing and development of Spanish-language reading tests.

Education -- Coverdell Education IRA's: *(Laura and Elena: consider this a placeholder until after the meeting on Friday with Erskine).* Coverdell's proposal for education IRA's will be marked-up by the Senate Finance Committee next week.....

Child Care -- Current Legislation. On Thursday, Senator Dodd and a group of 24 Democratic Senators introduced child care legislation similar both to your proposal and to the Chafee bill introduced last week. While the Dodd bill is substantially similar to your child care initiative, it has some differences: (1) the dependent care tax credit is made refundable and reformed to provide assistance to stay-at-home parents; (2) the Family and Medical Leave Act threshold is lowered to cover businesses of 25 or more employees; (3) after-school programs are enhanced both through the 21st Century Learning Center Program and through a set-aside in the block grant; and (4) a new fund is created to promote public-private partnerships in child care. In addition, on Tuesday, Congresswoman Nancy Johnson introduced the Chafee bill in the House.

Tobacco -- Current Legislation: There are reports that Senator Conrad, who is leading the Senate Democratic task force on tobacco, will shortly introduce legislation that fulfils the five elements you stated must be a part of comprehensive tobacco legislation. We have met with Senator Conrad and his staff, and they are anxious to obtain a statement of support from you when the bill is announced. They expect they will have all but 4 or 5 Democratic Senators endorsing the legislation. We believe this a positive sign, giving us a more specific base for negotiations, and we recommend issuing a statement of support for the legislation. So as not to harden the issue along party lines, however, we also suggest that the statement encourage a bipartisan solution and indicate that you could support other legislation if it meets the requirements of your five point plan. We continue to work with Republicans to encourage building a bipartisan coalition on this issue.

The Wall Street Journal incorrectly reported on Thursday that the Administration “for the first time” would “explicitly support granting the tobacco industry relief from potentially crippling lawsuits” in testimony by the Department of Justice. In reality, the DOJ testimony used the same language used by the Administration since at least June, 1997 to indicate that limitations on civil liability for past misconduct is “not necessarily a deal-breaker” for the Administration if the agreement as a whole advances the nation's public health interests and meets your five point plan to reduce youth smoking. We have reached out to members of Congress, the health groups including Dr. Koop, the rest of the Administration and the news media to make sure this point does not become confused. One potential benefit of this inaccurate story is that it re-emphasizes the Administration’s good faith to Republicans in suggesting that we want comprehensive bipartisan legislation, not a political issue.

Drugs -- Home Drug Tests: Next week, HHS/FDA is planning to release a proposed regulation for “home drug test kits.” HHS/FDA intends to codify its policy of the past year to allow manufacturers to market these kits without prior FDA approval so long as they meet 3 conditions:

1. That one of the more than 200 already FDA-approved testing procedures is used;
2. That one of the 70 FDA-certified labs determine the results; and
3. That the kits themselves be accurately labeled.

Interested parties will have 90-days to comment on this proposed regulation, and HHS/FDA will also conduct a public hearing on home drug test kits during this time -- and before issuing a final regulation. Under the proposed regulation, Sunny Cloud -- the individual who initially challenged HHS/FDA’s -- could continue to market her home drug test kits; however, proponents of hair testing, which is not currently approved by the FDA, are likely to be unhappy with the regulation. The proposed regulation has no impact on law enforcement-related drug tests.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 15:33:55.00

SUBJECT: One more question

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

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

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

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

TEXT:

I am forwarding a subsequent question from aft -- additionally, nea is calling w/ similar questions. has anyone spoken w/ either aft government affairs or nea government affairs?

----- Forwarded by Karen Tramontano/WHO/EOP on 02/06/98
03:31 PM -----

ggeorges @ aft.org
02/06/98 11:48:00 AM

Record Type: Record

To: Karen Tramontano
cc:
Subject: One more question

If you haven't already talked to the policy/leg. people, one more question:

There is also some talk that the Republicans will try to sweeten the Coverdell piece with add ons, including possibly something on school infrastructure that the President would like (e.g, something akin to his infrastructure initiative). We're concerned that this might complicate his veto position. Could you also explore that for us?

Thanks so much.

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

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)
id <01IT9BQTUEF400BCOL@PMDF.EOP.GOV> for tramontano_k@a1.eop.gov; Fri,
06 Feb 1998 11:59:03 -0500 (EST)
Received: from storm.eop.gov (storm.eop.gov)

by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IT9BQLUDZK0040UF@PMDF.EOP.GOV> for tramontano_k@a1.eop.gov; Fri, 06 Feb 1998 11:59:00 -0500 (EST)
Received: from relay5.UU.NET ([192.48.96.15])
by STORM.EOP.GOV (PMDF V5.1-7 #6879)
with ESMTTP id <01IT9BQGXBQ4001J2P@STORM.EOP.GOV> for tramontano_k@a1.eop.gov;

Fri, 06 Feb 1998 11:58:44 -0500 (EST)
Received: from uucp3.UU.NET by relay5.UU.NET with SMTP
(peer crosschecked as: uucp3.UU.NET [192.48.96.34]) id QQebot08480; Fri,
06 Feb 1998 11:58:42 -0500 (EST)
Received: from aftemail.UUCP by uucp3.UU.NET with UUCP/RMAIL ; Fri,
06 Feb 1998 11:58:46 -0500
Received: from aft.org by aft.org; Fri, 06 Feb 1998 12:08 -0500 (EST)
Received: by HQRAS1 with Internet Mail Service (5.0.1457.3) id <1J2PPZA2>; Fri,

06 Feb 1998 11:59:06 -0500
X-Mailer: Internet Mail Service (5.0.1457.3)
X-Priority: 3
===== END ATTACHMENT 1 =====

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen E. Skelton (CN=Karen E. Skelton/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 6-FEB-1998 14:36:41.00

SUBJECT: President Atkinson

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

President Atkinson of the University of California will be at his office in Oakland, California next week while we are there. He invited us to meet with him to discuss the letter regarding minority enrollment in higher education that he sent to the President.

It might be a good idea for us to talk this weekend about our schedule in California, and whether a meeting with the President of the UC works. I will follow up with him after we talk. I said I'd get back to him on Monday.

Thanks.

February 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

RE: DPC Weekly Report

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Health Care -- Dr. Satcher's Confirmation Vote: Next Tuesday, the Senate is scheduled to vote on Dr. Satcher's nomination to become Surgeon General. Our current vote count is 66 votes and we believe that we may get more than 70. Should Dr. Satcher be confirmed, this would fill an approximately three year void in the Surgeon General position. We are currently considering recommending a picture of you and/or the Vice President swearing Dr. Satcher in for this post.

Health Care -- Congressman John Dingell Update: Following up on your conversation with John Dingell, Larry Stein, Bruce Reed and Chris Jennings met with the Congressman on Thursday to discuss prospects of and strategy for the consumer protections legislative debate and Mr. Dingell's role on the Medicare Commission. It was agreed that the Administration would continue to give technical assistance to the House Democratic Caucus consumer protections bill as well as to make positive statements about it without giving an all out endorsement. The current bill goes farther than is likely to be passed in the Congress and may well be vulnerable to criticisms from the business community about excessive costs and regulations. As of yet, we have avoided having to take a position on most of the controversial positions in Dingell's bill. We informed Dingell about our concerns of an overly costly bill. He said he appreciated the feedback on the strengths and weaknesses of the bill and was pleased we would say positive things about his efforts in this area.

Welfare Reform -- Memo from Secretary Shalala: Secretary Shalala has submitted to you a good memo on welfare reform. The memo notes that the stunning caseload drop continues -- 2.4 million in the first 13 months of the new law, with 21 states down 25 percent or more in that time. There has been no "race to the bottom" -- states are spending more per recipient than in 1994. All states are meeting the maintenance of effort requirement we fought for in the welfare law, and nearly half the states are exceeding it. And many more recipients are now working. State evaluations show a substantial increase in the share of people who leave

welfare for work (from 45-50 percent under AFDC to 50-60 percent now), even as record numbers leave the rolls. (We had earlier reported to you that the share was about the same as in the past, but some additional studies reviewed by HHS show an increase). And, the memo notes, there is little evidence of hardship among those who are sanctioned for not meeting program rules. Only nine states have adopted lifetime limits of less than five years.

[Note to Elena: the memo from Secretary Shalala to the President says that 20 states are exceeding the 80 percent maintenance of effort, and, thus, so does Bruce's cover memo. HHS has since discovered, and will include in the information they release publicly, that 22 states have MOEs higher than 80 percent. Thus, I said "nearly half the states" here.]

Welfare Reform -- Performance Bonuses: We are now nearly ready to announce two new nationwide competitions to promote work and personal responsibility. The first competition will award \$1 billion in bonuses -- \$200 million a year over the next five years -- to states that do the best job of placing welfare recipients into jobs and helping them succeed in the work place. Sixty percent of the funds will be distributed based on states' success in placing people in jobs (40 percent to states with the highest job entry rate and 20 percent for those with the most improved rate). Forty percent of the funds will be distributed based on how well former recipients succeed in the work place, a measure based on job retention and earnings gains (with 25 percent for absolute achievement and 15 percent for improvement). The second bonus will distribute \$100 million a year to states that reduce their "illegitimacy ratio" i.e., the percentage of children born out of wedlock (by statute, states must also have an abortion rate lower than their 1995 rate to win the bonus). We would issue these policies through proposed regulations, which would interpret the statutory provisions.

Cloning -- Legislation to Ban Human Cloning: Senators Frist and Bond have drafted legislation that Lott has introduced that bans cloning of human beings. However, it defines an embryo as a single cell zygote, effectively banning all cloning experiments with human cells and blocking research that might someday be conducted to combat diseases such as diabetes and cancer. A number of biotechnology and health groups have objected to the legislation and are lobbying the Senate. We have met with the staffs of Senators Frist and Bond to encourage them to reach a compromise that allows for continued research, and Senators Kennedy and Feinstein have taken the lead with alternative research-friendly legislation. It seems likely that our best hope of compromise is in the Senate as the House position may be more intractable and could potentially involve right to life issues. Our goal is to produce legislation that you could sign. One option may be the addition of a sunset provision that bans human embryo research for a short time, but allows Congress to revisit the issue when scientists may actually be ready to take advantage of this technology for human research. Frist's bill also establishes a new bioethics commission appointed by Congress that would coexist with the one you set up.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ingrid M. Schroeder (CN=Ingrid M. Schroeder/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 6-FEB-1998 16:00:00.00

SUBJECT: LRM IMS 230 - Statement of Administration Policy on HR1428 Voter Eligibili

TO: david.warner@ssa.gov (david.warner@ssa.gov @ inet [UNKNOWN])

READ:UNKNOWN

TO: US@2=TELEMAIL@5=JMD@7=Deborah@6=CLIFTON@mrx@lngtwy (1=US@2=TELEMAIL@5=JMD@7=Deb

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: WARNATH_S@A1@CD@LNGTWY (WARNATH_S@A1@CD@LNGTWY [UNKNOWN]) (CPC)

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Sandra Yamin (CN=Sandra Yamin/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Barry White (CN=Barry White/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Matthew McKearn (CN=Matthew McKearn/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Evan T. Farley (CN=Evan T. Farley/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Theodore Wartell (CN=Theodore Wartell/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Kenneth L. Schwartz (CN=Kenneth L. Schwartz/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

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

READ:UNKNOWN

TO: http: (CN=http:/O=152.119.36.5@inet [UNKNOWN])

READ:UNKNOWN

TO: ssa.lrm@ssa.gov (ssa.lrm@ssa.gov @ inet [UNKNOWN])
READ:UNKNOWN

TO: jonesgre@justice.usdoj.gov@inet (jonesgre@justice.usdoj.gov@inet [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CC: Darlene O. Gaymon (CN=Darlene O. Gaymon/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

TEXT:
Total Pages: _____

OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Friday, February 6, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: James J. Jukes (for) Assistant Director for Legislative Reference
OMB CONTACT: Ingrid M. Schroeder
PHONE: (202)395-3883 FAX: (202)395-3109

SUBJECT: Statement of Administration Policy on HR1428 Voter
Eligibility Verification Act

DEADLINE: 10am Monday, February 9, 1998

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS: H.R. 1428 is scheduled for House floor action under suspension of the rules on Thursday, February 12th. Please note that the attached draft SAP contains a veto recommendation.

Justice and SSA strongly opposed H.R. 1428 in testimony before a House Judiciary subcommittee on June 25, 1997.

DISTRIBUTION LIST

AGENCIES:

110-Social Security Administration - Judy Chesser - (202) 358-6030
114-STATE - Paul Rademacher - (202) 647-4463
61-JUSTICE - Andrew Fois - (202) 514-2141
117 and 340-TRANSPORTATION - Tom Herlihy - (202) 366-4687
76-National Economic Council - Sonyia Matthews - (202) 456-6630

EOP:

Steven M. Mertens
John E. Thompson
David J. Haun
Kenneth L. Schwartz
Michael Deich
Theodore Wartell
Joseph G. Pipan
Evan T. Farley
Jack A. Smalligan
Matthew McKearn
Keith J. Fontenot
Barry White
Barbara Chow
Sandra Yamin
Maya A. Bernstein
Daniel J. Chenok
Bruce W. McConnell
Steven D. Aitken
Alice E. Shuffield
Charles Konigsberg
Lisa M. Kountoupes

William P. Marshall
Julie A. Fernandes
WARNATH_S
Paul J. Weinstein Jr.
Elena Kagan
Peter G. Jacoby
James C. Murr

LRM ID: IMS230 SUBJECT: Statement of Administration Policy on HR1428
Voter Eligibility Verification Act

RESPONSE TO
LEGISLATIVE REFERRAL
MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
- (2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: Ingrid M. Schroeder Phone: 395-3883 Fax: 395-3109
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-3454

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- _____ Concur
- _____ No Objection
- _____ No Comment
- _____ See proposed edits on pages _____
- _____ Other: _____
- _____ FAX RETURN of _____ pages, attached to this response sheet

H.R. 1428 - Voter Eligibility Verification Act
(Horn (R) California and 27 cosponsors)

The Administration strongly supports protecting the integrity of elections and agrees that voter eligibility determinations must be conducted in a non-discriminatory, uniform fashion. For the following principal reasons, however, H.R. 1428 fails to achieve those goals. Thus, the Administration strongly opposes enactment of H.R. 1428. If this bill were presented to the President, _____ would recommend that he veto it.

First, H.R. 1428 depends upon data systems not suited for voter verification purposes. Second, it would be so cumbersome as to likely raise discriminatory barriers to the right to vote for many qualified U.S. citizens, particularly minority and elderly citizens. Third, the Immigration and Naturalization Service (INS) already routinely cooperates with State and local officials in the execution of their duties, including, in appropriate cases, duties relating to elections.

The system mandated by the bill will not result in accurate and timely information. The Social Security Administration (SSA) cannot confirm citizenship based on its records. 269 million of its records created before 1981 reflect only unverified information on citizenship status, and newer records are not routinely updated for changes in citizenship status. Only about 10 percent of INS records contain Social Security numbers, and SSA cannot supply Alien Registration numbers. A forced linking of two databases not designed for this purpose will result in the denial of the right to vote for U.S. citizens.

The bill poses important civil rights problems. In 1986, Congress sought to guard against employment discrimination by requiring that the identity and immigration status of all employees be verified. H.R. 1428 lacks this safeguard. Some, but not all, voters may be subject to citizenship verification under H.R. 1428 without regard to any underlying information indicating that a person is not a citizen. The potential for discriminatory abuse, particularly against minorities, is clear.

In addition to accuracy and civil rights concerns, verification for citizenship, as opposed to immigration status, is highly burdensome on local and State election officials, as well as Federal agencies. Even if the system envisioned by the bill were workable, voter registration would be greatly impeded because of the administrative burden in verifying everyone's citizenship. H.R. 1428 would render meaningless existing voter registration deadlines under State laws and thwart the protections of the National Voter Registration Act and Voting Rights Act.

In addition, there is already a citizenship question on the voter application forms of all States, in most (if not all) cases carrying a perjury penalty for false statements. Existing cooperation and assistance furnished to State and local election officials are far more effective than the system mandated by H.R. 1428.

* * * * *

Legislation to Ban Human Cloning

2/05/97

Senators Frist and Bond have drafted legislation that Lott has introduced that bans cloning of human beings. However, it defines an embryo as a single cell zygote, effectively banning all cloning experiments with human cells and blocking research that might someday be conducted to combat diseases such as diabetes and cancer. A number of biotechnology and health groups have objected to the legislation and are lobbying the Senate. We have met with the staffs of Senators Frist and Bond to encourage them to reach a compromise that allows for continued research, and Senators Kennedy and Feinstein have taken the lead with alternative research-friendly legislation. It seems likely that our best hope of compromise is in the Senate as the House position may be more intractable and could potentially involve right to life issues. Our goal is to produce legislation that you could sign. One option may be the addition of a sunset provision that bans human embryo research for a short time, but allows Congress to revisit the issue when scientists may actually be ready to take advantage of this technology for human research. Frist's bill also establishes a new bioethics commission appointed by Congress that would coexist with the one you set up.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 14:22:39.00

SUBJECT: Democratic Unity Event re: Education

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Attached is a 2-pager describing our education initiatives, made to sound like they are more broadly Democratic initiatives. Bruce wanted you to have this for the 3:30 conference call.

He's not sure what we are supposed to do with the paper, a nd is counting on you to figure that out on the call.

Depending upon how this will be used, it may well need additional editing. let me know.===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D13]MAIL406535637.026 to ASCII,
The following is a HEX DUMP:

FF575043940E0000010A02010000000205000000F335000000020000D2D188C07FCBA7AE884E81
7C982695511107A0B9EF242AF382EEA6778B18E764629322C28745EDAF12BBE620790C33A05C4B
DB0A86FE650FBA15B7E11FC5C8E507A19F5B5FE570EAA46FCBBD5D909EDF0AAB18809BC335A4C2
7A0EED42773DA37F27C23C6FAD591F2395F06873247ADCF4084A4FC98688947849C7401473FC68
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CD912E74D073BBB949D9A0CB08348B9AA60DABF3B2C647A58B710C4B3816D8C082997FCEDE7E94
49567C5FED3E5ED2125A469D2C542AD2ECC3A2365BA15C7D4C25FE7E66E378E723DD1B4B4A8012
4CB37E58560200A1000000000000000000000000823010000000B010000CE0A0000005517000000
4E000000D90B000009250100000006000000270C00000B3002000000280000002D0C0000005519
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08340100000014000000310D00000802010000000F000000450D0000081D01000000000000054
0D0000005502000003C000000540D0000005501000000028000000900D000000050300000004E00
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DEMOCRATIC UNITY EVENT: EDUCATION INITIATIVES

Now we must make our public elementary and secondary schools the world's best...by raising standards, raising expectations, and raising accountability.
President Clinton, 1998 State of the Union Address

Democrats are proposing new initiatives that will dramatically strengthen elementary and secondary education. These proposals will help ensure that all students start out in a small class with a good teacher, in a safe, modern school. They will help ensure that students, especially in high poverty urban and rural areas, attend schools where high standards are taken seriously and kids are given the help they need to succeed. These proposals will dramatically expand access to safe havens for after-school learning, put computers in the classroom and help make teachers as comfortable with computers as they are with the blackboard. The High Hopes initiative recently announced by President Clinton will help provide low-income students with mentoring and encouragement to help them finish school and continue on to college.

Small Classes with Qualified Teachers to Improve Reading in Grades 1-3. President Clinton is proposing a \$12.4 billion initiative over 7 years (\$7.3 billion over 5 years) to help local schools provide small classes with qualified teachers in the early grades. This will help ensure that every child receives personal attention, learns to read independently and gets a solid foundation for further learning. The new initiative will reduce class size in grades 1-3 to a nationwide average of 18, providing funds to help local school districts hire an additional 100,000 well-prepared teachers. The initiative will also provide funds to states and local school districts to test new teachers, develop more rigorous teacher testing and certification requirements, and train teachers in effective reading instruction practices.

Modern School Buildings to Improve Student Learning. In order for students to learn and to compete in the global economy, schools must be well-equipped and they must be able to accommodate smaller class sizes. To address these and other critical needs, Democrats are proposing Federal tax credits to pay interest on nearly \$22 billion in bonds to build and renovate more than 5,000 public schools. The tax credits will cost the Treasury \$5 billion over 5 years, and \$11.6 billion over ten years. Of the \$22 billion in bond authority, nearly \$20 billion is for new School Modernization Bonds. Half of this bond authority will be allocated to the 100 school districts with the largest number of low-income children, and the other half will be allocated to the States. In addition, Democrats are proposing a more than \$2.4 billion expansion of the Qualified Zone Academy Bonds, school-business partnerships that will include funding for school construction and renovation.

Education Opportunity Zones: Helping Students in Poor Communities Reach High Standards. This initiative will strengthen public schools and help students master the basics where the need is the greatest. The Education Department will select approximately 50 high poverty urban and rural school districts that agree to: (1) use high standards and tests of student achievement to identify and provide help to students, teachers and schools who need it; (2) prevent students from falling behind by ensuring quality teaching, challenging curricula, and extended learning time; and (3) end social promotion and turn around failing schools. Added investments in these communities will accelerate their progress and provide successful models of

Automated Records Management System
Hex-Dump Conversion

system-wide, standards-based reform for the nation. This initiative will invest \$200 million in FY99, and \$1.5 billion over 5 years, to raise achievement and share lessons learned with school districts around the country.

Expanding Access to Safe After-School Care. To help create safe, positive learning environments for American school-age children who lack adult supervision during a typical week, Democrats will work to increase the 21st Century Learning Center Program to support school-community partnerships that expand or establish programs providing after-school care for up to half a million children a year. To accomplish this, the President has proposed to increase funding by \$800 million over five years.

Educational Technology: Democrats will continue the effort to make sure that all of our children have access to the "information superhighway," and to broaden access to high quality learning opportunities for adults using the Internet and other new technologies. This year, the Administration's educational technology investments--\$770 million overall--will place special emphasis on technology training for teachers, so that all new teachers entering the workforce can use technology effectively in the classroom, and that there is at least one teacher who can serve as a technology expert in every school to help other teachers. Democrats, together with the Administration, will also fight to preserve the \$2.25 billion per year in discounts to connect schools and libraries to the Internet (the "e-rate") -- which was authorized by the Telecommunications Act of 1996.

High Hopes for College: Democrats have been leading the effort to give information about college opportunity to all Americans, especially those in poor neighborhoods. Democrats are now advancing a new initiative to inspire more of our young people to have high expectations, to stay in school and study hard, and to go to college. This long-term investment -- starting with \$140 million in the FY 99 Budget -- would promote partnerships between colleges and middle or junior high schools in low-income communities, to provide children with the support they need starting in sixth or seventh grade and continuing through high school graduation. Working with parents, community and religious groups, and businesses, the partnerships would provide information about what it means and what it takes to go to college, as well as support services -- such as mentoring, tutoring, college visits, summer programs, after-school activities, and counseling -- to help the children stay on track. The partnerships will help ensure that children have access to the rigorous core courses that prepare them for college and let parents know how they can help their children prepare for college. High Hopes would also provide children and their families at middle and junior high schools in low-income communities with a 21st Century Scholar certificate, an official, early notification of the amount of their eligibility for Federal college aid, so that families will know that college is affordable regardless of their income.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 16:31:36.00

SUBJECT: Goodling Press Conf Thursday on IDEA

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

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

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

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

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

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

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

TEXT:

I'm told that Rep. Goodling is planning a press conference next Thursday with a number of disability groups attacking the Administration's budget proposal for special education (IDEA).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 18:38:09.00

SUBJECT: Letters to Partnership

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Here's where we are after talking to Counsel's office and Correspondence office:

Letter to 3,000 partners

Counsel's office is fine with sending these letters. Both they and Correspondence recommend a letter be developed that goes to "Dear Welfare to Work Partner", gets an autosignature, and is then sent to the Partnership for reproduction onto White House stationary. The Partnership will pay for the stationary. We will send a cover letter authorizing them to reproduce and mail the letters. Correspondence is currently editing the draft letter submitted by the Partnership. Kate Carr prefers that the letters be individually addressed to each company, but Correspondence and Counsel are extremely reluctant to hand this over to an outside organization to do a mail merge and give up quality control on something signed by the President.

Letter to Board Members

Our Weekly suggested that the President send a personal letter to the five founding members and one or two other companies. The Partnership now wants to send such a letter to all 21 Board members, plus Xerox (who made a major contribution but chooses not to sit on the Board). Dan Burkhardt says it's highly unlikely that the President will personally sign 22 letters, and he may not sign any of them personally since his note on the Weekly didn't specifically say he would (although the fact that Eli has asked may help). Kate realizes it was a big leap from 6 to 22. I've asked her to prioritize the companies for personal signature. The Partnership is sending over a draft letter that Correspondence will edit. We believe these letters will go on the President's azure stationary.

RECORD.TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 17:04:14.00

SUBJECT: MN Concerns

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:

Humphrey's staff called to express concern about stories running in the MN press with roughly the following lead: "Rebuffing Minnesota's attorney general... the Clinton administration urged Congress to enact a settlement without seeing all of the cigarette industry's internal documents." The stories quote Ogden stating Congress shouldn't wait for the documents to enact comprehensive legislation and that every day we delay 3,000 kids start smoking.

Humphrey understands that we have never held the position that all of the documents must be released before Congress acts. But he would appreciate it if we would tell the press that we applaud his efforts to make documents public and that the release of documents has helped pressure Congress into enacting tougher legislation.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 12:28:12.00

SUBJECT: REVISED; JOBS AND UNEMPLOYMENT 1-PAGER

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

TO: Nancy V. Hernreich (CN=Nancy V. Hernreich/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

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

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

TO: Steven A. Cohen (CN=Steven A. Cohen/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

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

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

TO: Rebecca A. Cameron (CN=Rebecca A. Cameron/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: Marsha E. Berry (CN=Marsha E. Berry/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: Barry B. Anderson (CN=Barry B. Anderson/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

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

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

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

TO: Laura Emmett (CN=Laura Emmett/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: Andrei H. Cherny (CN=Andrei H. Cherny/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

TO: Michael V. Terrell (CN=Michael V. Terrell/OU=CEQ/O=EOP @ EOP [CEQ])
READ:UNKNOWN

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

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Roger V. Salazar (CN=Roger V. Salazar/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Daniel K. Tarullo (CN=Daniel K. Tarullo/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

**MORE JOBS, HIGHER WAGES, AND LOW INFLATION
AMERICA'S ECONOMY CONTINUES TO GROW STEADY AND STRONG**

February 6, 1998

TODAY, THE LABOR DEPARTMENT ANNOUNCED THAT THE ECONOMY CREATED 358,000 NEW JOBS LAST MONTH, THE UNEMPLOYMENT RATE REMAINED AT A 24-YEAR LOW, AND WAGES CONTINUED TO RISE. The economy as strong as its been in a generation. It is clear that President Clinton's three-part economic strategy -- reducing the deficit, investing in our people, and tearing down foreign barriers to American goods -- is working for America's working families.

- **1.1 MILLION NEW JOBS IN PAST 3 MONTHS -- MORE THAN 14.7 MILLION NEW JOBS UNDER PRESIDENT CLINTON.** In the past three months, the economy added 1.1 million new jobs -- 358,000 new jobs last month alone. During the Clinton Administration, the economy has added 14.7 million new jobs -- a faster annual rate of job growth (2.6 percent per year) than any Republican Administration since the Roaring 1920s. The economy has added 3.3 million jobs over the past year. [Source: Based on data from the Bureau of Labor Statistics, Current Employment Statistics survey.]
- **STRONG PRIVATE-SECTOR JOB GROWTH.** Last month, the economy added 349,000 private-sector jobs. Since President Clinton took office, the private sector of the economy has added 13.7 million new jobs -- with 3.0 million jobs added in the past year. Under President Clinton, 93 percent of the 14.7 million new jobs under President Clinton have been in the private sector -- that's a higher percentage than any Administration since President Warren G. Harding. [Source: Based on data from BLS.]
- **REAL WAGES RISING AGAIN.** After stagnating or declining for years, real wages are rising again. Over the past 12 months, wages have risen 3.8 percent -- that's twice as fast as the rate of inflation. [Source: BLS]
- **UNEMPLOYMENT REMAINED 4.7 PERCENT -- ITS LOWEST LEVEL IN 25 YEARS.** The January unemployment rate was 4.7 -- its lowest level since 1973. The unemployment rate has been below 6 for 41 consecutive months and at or below 5 for 10 months now with no signs of inflationary pressures. In 1992, the unemployment rate was 7.5. [Source: BLS.]
- **TURNING THE CORNER IN BASIC AMERICAN INDUSTRIES.** Under President Clinton, basic American industries, such as construction and autos, are coming back and leading the world.
 - **1.3 Million New Construction Jobs.** After losing 667,000 jobs in construction during the previous four years, more than 1.3 million new construction jobs have been added since January 1993 -- that's a faster annual rate than any other Administration since Harry S Truman was President.
 - **149,000 New Automobile Jobs -- Leading The World Once Again.** After losing 35,000 jobs in the auto industry during the Bush years, we have 149,000 new auto jobs under President Clinton. For the first time since the 1970s, America has led the world in auto production for four years in a row.
 - **612,000 New Manufacturing Jobs.** After losing 2.1 million manufacturing jobs during the Reagan-Bush years, the economy has created 612,000 new manufacturing jobs under President Clinton.
- **SPREADING PROSPERITY TO MORE AMERICANS.** Under President Clinton, the African-American unemployment rate has fallen from 14.1 percent to 9.3 percent -- its lowest level in 25 years. And the Hispanic unemployment rate has dropped from 11.3 percent to 6.9 percent --

one of its lowest levels on record. [Source: Bureau of Labor Statistics, Current Population Survey.]

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-FEB-1998 17:06:03.00

SUBJECT: Auto Choice

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Erskine has requested a memorandum updating him on auto choice/no fault insurance. John Orszag and I are working on a informational memorandum that could be submitted to him next week. I hope we have a draft to you by next Wednesday.

In addition, we met with Morley W. on Thursday to discuss auto choice. Morley thinks supporting no-fault is a mistake. It can be characterized, in his view, as adopting the same system that exists in New Jersey (which has the highest rates in the country) and which would hurt women drivers while helping bad drivers. His points are well taken. Having taken a closer look at the data, neither Orszag nor I can see any significant trend that indicates that states that have moved to no-fault system have experienced significant declines in auto insurance rates.

Morley suggested a new anti-fraud idea. Putting a V-Chip in new car odometers so that insurance companies could check the mileage without a trip to the insurer or having mileage charges at the gas pump. This would give insurers an incentive to lower rates to drivers who drive less.

There are problems. Would require new regulations or maybe even legislation, would cost automakers money, would sound big brother like (although less than are other options). Still, the idea is worth exploring.