

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 024 - FOLDER -007

[02/24/1998]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 16:05:34.00

SUBJECT: Today's Jeffords and McCain hearings

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The news from today's hearings is that both chairmen said they will mark up their bills

next week -- the dates weren't specific, but both implied next Tuesday.

I think we may need a meeting on the FDA jurisdiction issues Jeffords bill raises -- i.e., do we oppose/support creating a separate title for tobacco and switching jurisdiction from FDA to CDC? HHS seems to oppose both.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 15:20:58.00

SUBJECT: 4th Circuit News Flash

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

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

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

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

TO: Cynthia A. Rice (CN=Cynthia A. Rice/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:

DoJ reports that Judge Russell has died of lung cancer and Judge Hall is quite ill. These are the two judges who were leaning against us. There is no way to know what stage the decision is at. It could be at the printers or the case might be reassigned and the case may have to be reargued.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 13:41:43.00

SUBJECT: H1-B rewrite from Labor

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,

Sorry for the piecemeal nature of this. The attached are the comments from the Labor person at OMB.

jf

----- Forwarded by Julie A. Fernandes/OPD/EOP on 02/24/98
01:50 PM -----

INGRID M. SCHROEDER

02/24/98 01:33:06 PM

Record Type: Record

To: Julie A. Fernandes/OPD/EOP

cc:

Subject: H1-B rewrite from Labor

----- Forwarded by Ingrid M. Schroeder/OMB/EOP on
02/24/98 01:32 PM -----

Debra J. Bond

02/24/98 11:21:43 AM

Record Type: Record

To: Ingrid M. Schroeder/OMB/EOP@EOP

cc: Larry R. Matlack/OMB/EOP@EOP, Maureen H. Walsh/OMB/EOP@EOP, Daniel J. Chenok/OMB/EOP@EOP

Subject: H1-B rewrite from Labor

Below are our suggested edits to the H-1B testimony. We do not think that any substance is lost. Our changes attempt to make the testimony more concise. The changes also qualify some of the statements because DOL does not provide any evidence. Please let me know if there are any questions about our edits. Thanks--

STATEMENT OF RAYMOND J. UHALDE

ACTING ASSISTANT SECRETARY OF LABOR

before the

THE SENATE JUDICIARY COMMITTEE

February 25, 1998

Mr. Chairman and Members of the Committee:

Let me begin today, Mr. Chairman, by expressing my sincere appreciation to you for affording me this opportunity to share the views of the Administration regarding immigration, labor market conditions in high-technology industries, and possible reforms in the H-1B nonimmigrant visa program. The Administration shares your interest in the information technology industry, as evidenced by our participation in a recent convocation in Berkeley that addressed Information Technology (IT) work force needs. Further, as you know from Administration proposals advanced beginning in 1993, we believe that the H-1B program needs reform. This employment-based visa program is seriously flawed in its current form and urgently requires the attention of Congress. I would like to commend the Committee for its interest in these issues.

Tight Labor Markets and IT Skills Shortages

It is clear that IT employment is growing rapidly, IT labor markets are tight, and they are likely to remain so. Although this is true for the nation as a whole, given our sustained economic expansion and low national unemployment rate, IT labor markets appear to be particularly affected. Employment of computer systems analysts, engineers, and scientists has been growing by 10% a year -- well above the growth of comparable occupations -- and is expected to continue growing at a comparable rate through 2006. BLS projects that the U.S. will require more than 1.3 million new workers in IT core occupations between 1996 and 2006 to fill job openings projected to occur due to growth and the need to replace workers who leave the labor force or transfer to other occupations.

The IT skills shortage issue is very controversial. Industry advocates say that hundreds of thousands of jobs cannot be filled and that these vacancies are hurting U.S. competitiveness. Critics say the IT industry: (1) drastically overstates any problem by producing inflated job vacancy data and equating it to skills shortages; (2) continues to lay off tens of thousands of workers (e.g., AT&T recently announced large lay-offs); and (3) fails to tap reservoirs of talent available by using unnecessarily specific recruitment requirements and not providing more training to current IT workers.

One point of contention is the confusion between job vacancies and actual skills shortages. Even if the latest industry survey, which found nearly 350,000 job vacancies in the IT industry is accurate, it does not mean that there is a skills shortage of that same magnitude. Nearly all industries and firms, particularly those with rapid employment growth and high worker turnover, will have large numbers of jobs openings or vacancies without experiencing skills shortages. An industry association survey of job vacancies indicates that there may already be a shortage of 350,000 workers in the IT industry. However, this may not be a signal that there is a shortage of skilled workers. Most industries and firms have job openings at any point in time reflecting worker turnover and employment growth.

Evidence from perhaps the best predictor of skills shortages -- wage growth -- does not suggest acute skills shortages nationwide in the IT industry, but may be consistent with skills shortages in specialized occupational areas and selected local areas. Wages growing substantially faster than average can be a reliable indicator of skill shortages, but the wage growth record for the IT industry is mixed. Broad-based Bureau of Labor Statistics (BLS) surveys show increases in IT wages in 1996 and 1997 that are only modestly above comparable occupations, while more specialized industry surveys show much larger wage increases in more

specialized, high-skills occupations. BLS wage trends for broad computer-related categories show average wage growth between 1988 and 1997 for all categories, but with above-average growth in wages for 1996 and 1997 in the lower-skill computer-related categories, particularly programmers. At the same time, a variety of industry wage surveys show larger wage increases in 1996 and 1997 in more specialized, high-skill occupations.

Educating and Training U.S. Workers

The Administration believes it is essential, regardless of the magnitude of the problem, to shape public policy to assure that IT meet the workforce needs of the IT industry, as well as those of any other industry, through the education and training of U.S. workers. but that increased immigration should be the last -- not the first -- public policy response to skills shortages. Our first response should be to provide the needed skills to U.S. workers to qualify them for IT jobs. Increased immigration should be the last -- not the first -- public policy response to skills shortages. Accordingly, care must be taken before turning to immigration to expand the supply of workers.

The existence of a tight labor market causes employers to raise wages, improve working conditions, and provide increased training to enable currently employed workers to keep pace with technology and induce more workers to enter the labor market. The increased demand for trained workers induces educational and job training institutions to teach new skills. With more opportunities for training, workers acquire skills needed to obtain better, higher-paying and more secure jobs, thereby creating open jobs and career ladders for those just entering or reentering the labor market -- young people, welfare recipients, displaced workers, and other disadvantaged groups. [from below]

Therefore, tight labor markets and skills shortages create incentives for employers and workers to behave in ways needed to achieve many of the Administration's top priorities: moving welfare recipients, out-of-school youth, and workers dislocated by trade into jobs; providing greater opportunities for lifelong learning; and raising wages and reducing income inequality. Reliance on increased immigration, however, would undercut these market incentives and adversely affect our ability to upgrade the skills of U.S. workers to meet emerging skills shortages.

The existence of a tight labor market causes employers to raise wages, improve working conditions, and provide increased training to enable currently employed workers to keep pace with technology and induce more workers to enter the labor market. The increased demand for trained workers induces educational and job training institutions to teach new skills. With more opportunities for training, workers acquire skills needed to obtain better, higher-paying and more secure jobs, thereby creating open jobs and career ladders for those just entering or reentering the labor market -- young people, welfare recipients, displaced workers, and other disadvantaged groups.

However, labor markets are sometimes slow to respond to skills shortages. In these circumstances, it is often argued that foreign temporary workers are needed in the short-term to provide necessary skills while the labor market adjusts and provides U.S. workers with the requisite training. Without needed foreign temporary workers, some argue that the IT industry may adjust to skills shortages in ways that do not serve the short-term or long-term priorities of the country, either by reducing job creation or by moving jobs overseas. Further, it is argued that IT industries are so critical to our competitive edge in an array of industries and services that disproportionate harm could come to the U.S. economy.

Even in such circumstances, however, the use of foreign temporary workers will may interfere with labor market adjustments and may makes achieving our other priorities more difficult. It dampens the market signals of

increased wages, improved working conditions, and enhanced job security and growth potential so that may reduce the incentive for fewer U.S. workers will be induced to acquire new skills, and fewer employers and institutions will may be induced to increase provide more training and education.

Our primary public policy response to skills mismatches due to changing technologies and economic restructuring must be to prepare the U.S. workforce to meet new demands. Importing needed skills should usually be a short-term response to meet urgent needs while we actively adjust to quickly changing circumstances.

The Administration already has taken significant steps to increase our capacity for increasing workforce skills. The President continues to pursue comprehensive reform of the Nation's employment and training system by working with Congress to enact the principles embodied in his GI Bill proposal. Moreover, in the historic balanced budget agreement of last summer, the President insisted on and achieved the largest increase in 30 years in the Federal investment to expand the skills of American workers, including:

- the largest Pell Grant increase in two decades -- boosting the maximum from \$2,700 to \$3,000;
- a \$1,500 Hope Scholarship to make the first two years of school post-secondary universally available through tax credits;
- the Lifelong Learning Tax Credit for the last 2 years of college and continuing adult education and training to upgrade worker skills;
- a 10 percent major increase in employment and training resources, including increases for dislocated workers and disadvantaged workers adults and youth to over \$5 billion; and [note: these increases were not realized in FY 1998 appropriations which were 6% above FY 1997]
- a \$3 billion program to help move 1 million people from long-term welfare recipients secure lasting, unsubsidized employmentwelfare to work

Further, the Administration announced several new efforts at the recent Berkeley Convocation to help address the growing demand for information technology workers:

- A Labor Department Technology Demonstration project to test innovative ways of establishing partnerships between local workforce development systems, employers, training providers and others to train dislocated workers in needed high tech skills;

-- The expansion and integration of America's Job Bank and America's Talent Bank by the Labor Department to allow employers and workers to list and access job openings and worker resumes in one integrated system.

A Commerce Department grant program to bring information technology to low-income persons, particularly to enhance education and life-long learning;

The convening of four town hall meetings by the Commerce Department to discuss IT workforce needs, identify best practices, and showcase successful models; and

A joint Education and Labor grant program to expand employer involvement in high technology school-to-work programs.

We think that there is more that we can do to move U.S. workers into high technology jobs, and we welcome the discussions that may be sparked by this hearing. We are committed to pursuing a continued dialogue with the major stakeholders in the IT workforce issue -- government, industry, workers, and education and training institutions -- to better define the workforce needs of the IT industry and develop appropriate solutions to meet these needs involving commitments from each of the stakeholders. Such a dialogue is critical because increased immigration, if needed, can be only a small part of the solution to the workforce needs of the IT industry.

Given this broader context, let me turn to the need for reform of the H-1B nonimmigrant program.

H-1B Nonimmigrant Program

The H-1B program allows the admission of up to 65,000 workers each year (to stay for as long as six years), ostensibly to meet short-term, high-skills employment needs in the domestic labor market. In principle, this can be an appropriate purpose, consistent with our overall goal of giving priority to improving the skills of U.S. workers.

In practice, however, employers do not have to demonstrate any type of employment need or domestic recruitment prior to getting a foreign worker. Exacerbating this problem, the Labor Department is limited strictly in its ability to enforce the minimum standards that employers must adhere to. Employers obtain H-1B foreign workers by filing a labor condition application with the Department affirming that they have complied with four requirements:

- that a wage (not less than the local prevailing rate) will be paid to the foreign workers;
- that no strike or lockout exists;
- that notification has been provided to U.S. workers and their unions; and
- that the employment of H-1B nonimmigrants will not adversely affect the working conditions of U.S. workers similarly employed.

By law, the Labor Department can do no more than review these attestations for completeness and obvious inaccuracies -- to determine whether an employer checked all of the boxes, made no flagrant errors, and signed the attestation. Once the Department has reviewed the attestation, its enforcement has been limited by the fact that foreign worker is unlikely to make a complaint.

Our experience with the practical operation of the H-1B program has raised serious concerns that what was conceived as a means to meet temporary business needs for unique, highly-skilled professionals from abroad is, in fact, being used for a totally different purpose. Some employers -- though a minority of those who use the H-1B program -- seek admission of foreign workers to compete with qualified U.S. workers because temporary foreign workers are tied to one employer and are likely to be willing to work for lower wages and under less favorable working conditions. As a result, relatively large numbers of foreign workers who may well be displacing U.S. workers and eroding employers' commitment to the domestic workforce. Unfortunately, in some cases the H-1B program appears not to operate as a temporary workers program with workers coming to this country for a short duration and then returning to their home country. Instead, it operates as a "probationary" employment program where employers bring workers to the US and, if they perform well, sponsor them for permanent admission to this country. Thus, in some instances, the US worker is never afforded the opportunity to compete for the job.

Many employers, to be sure, use the H-1B nonimmigrant program for its stated purpose: to provide U.S. businesses with timely access to the "best and the brightest" in the international labor market to meet urgent but generally temporary business needs. I want to emphasize that the Administration recognizes the need for this legitimate use of the program. But reform of the H-1B program is needed because it does not provide the needed balance between timely access to the international labor market and adequate protection of U.S. workers' job opportunities, wages and working conditions.

Greater protections for U.S. workers are needed because many employers use the H-1B program to employ not the "best and the brightest," but rather entry-level foreign workers who compete with U.S. workers. Minimum education and work experience qualifications for H-1B jobs are quite low -- a 4-year college degree and no work experience, or the equivalent in terms of combined education and work experience. Thus, a foreign worker

with the equivalent of a community college degree and a few years of experience can compete with U.S. workers. These low educational requirements result in nearly 80 percent of H-1B jobs paying less than \$50,000 a year and more than 70 percent of the jobs being in computer-related occupations, physical therapists, and other health-related occupations.

The H-1B program is broken in several respects. First, current law does not require any test for the availability of qualified U.S. workers in the domestic labor market. Therefore, many of the visas under the current cap of 65,000 can be used lawfully by employers to hire foreign workers for purposes other than meeting a skills shortage. Second, current law allows a U.S. employer to lay off U.S. workers and replace them with H-1B workers -- although employers do attest to no strike or lock-out at the time of the application. Third, current law allows employers to retain H-1B workers for up to 6 years to fill a presumably temporary need. We simply do not believe this is right. The H-1B program does almost nothing to encourage U.S. employers to develop U.S. workers to perform the jobs for which they are seeking nonimmigrants, or to limit their dependency on a nonimmigrant workforce.

As a result of these weaknesses in the program, it has become increasingly evident that the H-1B program is being utilized by some as the basis for building businesses dependent on the labors of foreign workers in relatively low-level computer-related and health care occupations. This is a clear example of companies using H-1B visas for foreign workers that are not needed to meet skills shortages. Such businesses are, in some cases, in unfair competition with U.S. workers and those U.S. businesses that employ mostly U.S. workers. The existence of "job contractors" with work forces composed predominantly or even entirely of H-1B workers, which then lease these employees to other U.S. companies or use them to provide services previously provided by laid off U.S. workers, is cause for serious concern.

Mr. Chairman, the Administration asked the Congress in 1995 to amend the H-1B nonimmigrant program to address these problems. Unfortunately for many U.S. businesses and workers, these amendments were not enacted. The amendments requested in 1995 were carefully designed to assure continued business access to needed high-skills workers in the international labor market while decreasing the H-1B program's susceptibility to misuse to the detriment of U.S. workers and the businesses which employ them. Briefly stated, the amendments would require employers which seek access to temporary foreign "professional" workers to attest that:

-- they have not laid off or otherwise displaced U.S. workers in the occupations for which they seek nonimmigrant workers in the periods preceding and following their seeking such workers; and,

-- in certain circumstances, they have taken timely and significant steps to recruit and retain U.S. workers in these occupations. In addition, the Administration urged enactment of another amendment to reduce the allowable period of stay under the H-1B program from six to three years to better reflect the "temporary" nature of the presumed employment need.

Enactment of these amendments will help employers actually facing skills shortages, including those in the IT industry, obtain needed workers through the H-1B program. Under existing program rules law, employers facing skills shortages are disadvantaged because they must compete for available visas (up to the cap of 65,000) on a first-come, first-served basis with other employers that do may not face such shortages. Enactment of the proposed amendments would reduce pressure on the visa cap by screening out employers that are not faced with skills shortages and have no interest in recruiting U.S. workers.

A significant number of such employers use the H-1B program as a

probationary program for foreign students who graduate from U.S. colleges, without a market test for U.S. workers, to determine if they want to sponsor the foreign student for permanent immigration status. By reducing the use of the H-1B for such purposes, more visas would be available for employers who need to use the H-1B program for its original purpose -- bringing in foreign workers to fill a temporary, critical need that cannot be met by U.S. workers.

Conclusion

Mr. Chairman, let me conclude by restating that the workforce needs of the IT industry can only be met if we take the steps needed to fully develop and utilize the skills of U.S. workers. Increased immigration can only be a very small part of the solution and must be viewed as a minor complement to the development of the U.S. workforce. Further, let me repeat that reform of the H-1B program is integral and essential to eliminating abuses under the program and providing greater protections for U.S. workers. At a bare minimum, we must not expand a program as fundamentally flawed as the H-1B nonimmigrant visa program. Further, enactment of these reforms would effectively allocate a greater share of H-1B visas to employers facing actual skills shortages.

I appreciate the interest shown by the Committee Members and staff in our views, and your thoughtful consideration of them. The Department looks forward to continuing to work closely and cooperatively with you and your staff on these issues. Mr. Chairman, that concludes my prepared statement.

INFORMATION

Draft February 24, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING, BRUCE REED

RE: ADMINISTRATION POLICY ON SKILLED TEMPORARY FOREIGN
WORKERS

We are providing you with this informational memo on the "H1-B visa" issue because the *New York Times* recently ran a story on the basis of a leaked internal Administration options memo, and because this is an important topic to Silicon Valley companies. You will be interacting with high-tech CEOs during your California trip later this week, and may get asked about this. A suggested Q&A is attached.

Current U.S. law permits 65,000 H1-B visas each year for skilled temporary foreign workers. The computer and health care industries are the primary users of the H1-B program. The annual 65,000 visa cap was met for the first time in FY 1997. We expect to reach the limit again in May or June, several months before the end of the current fiscal year. Accordingly, the cap is likely to become a legislative issue in this session of Congress.

The information technology (IT) industry, along with Senator Abraham, Representative Zoe Lofgren, and other members of Congress, support either the removal of or a significant increase in the H1-B cap. Unions, other worker organizations, Senator Kennedy, Congressman Dingell, and other members of Congress are likely to oppose any increase.

A DPC/NEC working group with representatives from Labor, Commerce, State, and INS has started to meet to develop Administration policy on:

1. Steps we can take to work with industry and institutions of higher education to address the shortage of workers with IT skills;
2. Reforms of the H1-B program (e.g. a prohibition against laying off U.S. workers to replace them with foreign workers); and
3. Whether or not to increase the H1-B cap from its current level of 65,000.

We have tentatively decided that our focus should be on partnering with industry to upgrade the skills of American workers, and not on proposing an increase in the cap at this point. For example, we successfully addressed concerns about the shortage of shipbuilder workers in Louisiana by bringing together industry, labor, and state and local elected officials. We ultimately determined that rather than a 10,000 worker shortage, the industry needed less than 1,000 temporary foreign workers.

As part of an overall package -- industry commitments to upgrade worker skills and reform of the H1-B visa system -- the interagency group is willing to consider an increase in the H1-B cap if it is truly necessary. However, we do not think that it makes any tactical sense to start with this as our publicly stated position. Furthermore, even a 20,000 to 35,000 increase in the H-1B cap is not likely to solve the problem, given the projected growth in demand for workers with IT skills.

Our next step is to meet with high-tech industry executives to develop an "action plan" that builds on a series of announcements that the Departments of Commerce, Education and Labor made at a January 1998 conference in Berkeley, California.

Q. Mr. President, will your Administration grant more visas to high-skilled foreign workers who are in demand by high-tech industries?

We have made no decision on this issue. In reviewing our options, my Administration's first priority will be to ensure that American workers have the skills they need to fill these jobs, and that they have priority over any foreign workers with similar training. The growing demand for workers with high-tech skills shows how critical my agenda for life-long learning is -- HOPE scholarships to open the doors of college, tax credits for employer investment in life-long learning, and making sure that all of our children are technologically literate.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 16:07:59.00

SUBJECT: Updated List of Tobacco Hearings

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

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

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

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

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

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

TEXT:

Attached is an updated tobacco hearing schedule -- the main change is identification of witnesses at the Tauzin hearing tomorrow. Thanks, Mary=====

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

TEXT:

Unable to convert ARMS_EXT: [ATTACH.D69]MAIL406357454.026 to ASCII,
The following is a HEX DUMP:

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614656AA81FB696D00E974E0A8514C0A715401F4C046E7C341D79BC954A17B1782974097094A31

MEMORANDUM

TO: **PHIL BARTZ** **DOJ** **FAX: 305-3138**
 KEVIN BURKE **HHS** **FAX: 690-7380**
 DAVE CARLIN **USDA** **FAX: 720-8077**
 JIM O'HARA **HHS** **FAX: 690-6960**
 DAVID OGDEN **DOJ** **FAX: 514-1724**
 PAM SMITH **DOJ** **FAX: 514-9149**

FROM: **MARY L. SMITH**

RE: **TOBACCO HEARINGS SCHEDULE**

DATE: **FEBRUARY 24, 1998**

Attached is tobacco hearing schedule, which I plan to send out whenever I receive updates. Whenever you have any updates, changes, or additional information, please let me know at 456-5571. We are trying to keep this list as up-to-date and as comprehensive as possible. Thank you in advance for your assistance.

Automated Records Management System
Hex-Dump Conversion

TOBACCO HEARING SCHEDULE

March 31, 2010 (2:59PM)

Automated Records Management System
Hex-Dump Conversion

Tuesday, February 24

Tobacco Control and Public Health

The Senate Labor and Human Resources Committee (Chairman **Jeffords (R-VT)**) will hold hearings on the public health aspects of pending tobacco regulation legislation, including the roles of the Food and Drug Administration, Centers for Disease Control and Prevention, Agency for Health Care Policy and Research, and the National Institutes of Health.

Witness:

-Charles N. Jeffress, Assistant Secretary for Occupational Safety & Health, U.S. Dept. Of Labor

PANEL

Lewis Grossman - assistant law professor, American University

Jack E. Henningfield -vice president for research and health policy, Pinney Associates

PANEL

Richard M. Cooper - Williams & Connolly (representing Philip Morris)

Richard Levinson - associate executive director of programs and policy, American Public Health Association

PANEL

Jon Hanson - law professor, Harvard University

Kyle Logue - law professor, University of Michigan

Comprehensive Tobacco Legislation

The Senate Commerce, Science and Transportation Committee (Chairman **McCain (R-AZ)**) will hold hearings on proposed comprehensive tobacco-control legislation. No HHS witnesses have been invited to testify.

Witnesses:

-Geoffrey C. Bible - chairman and CEO, Philip Morris Companies, Inc.

-Nicholas G. Brooks - chairman and CEO, Brown and Williamson Tobacco Corp.

-Steven F. Goldstone - chairman and CEO, RJR Nabisco, Inc.

-Laurence A. Tisch - co-chairman of the board and co-CEO, Loews Corp.

-Vincent A. Gierer Jr. - chairman and CEO, UST. Inc.

Wednesday, February 25

The House Trade and Consumer Protection Subcommittee (Chairman **Tauzin (R-LA)**) is

scheduled to hold a hearing on the view of businesses excluded from the tobacco settlement.

Witnesses

- Carl Bolch, Jr. - CEO, RaceTrac Petroleum, Inc.
- Jeffrey L. Schlagenhauf - President, Smokeless Tobacco Council, Inc.
- Norman F. Sharp - President, Cigar Association of America
- Kay Jackson - American Vending Company, Inc.
- Steven Bailey -Vice President, S&M Brands, Inc.

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Thursday, February 26

Comprehensive Tobacco Legislation

The Senate Commerce, Science and Transportation Committee (Chairman **McCain (R-AZ)**) will hold hearings on proposed comprehensive tobacco-control legislation. No HHS witnesses have been invited to testify.

Witness (Proposed)

- David Ogden, DOJ
- Richard Scruggs
- AGs?

Tuesday, March 3

Comprehensive Tobacco Legislation

The Senate Commerce, Science and Transportation Committee (Chairman **McCain (R-AZ)**) will hold hearings on proposed comprehensive tobacco-control legislation.

Witnesses

- The Administration will probably send a panel.

Wednesday, March 4

Indian Provisions of Tobacco Legislation

The Senate Indian Affairs Committee (Chairman **Campbell (R-CO)**) will hold a **full committee markup** on the provisions of comprehensive tobacco-control legislation that affect Native American populations.

Agenda:

- S1414 A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.
- S1415 A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use,

and for other purposes.

S1530 A bill to resolve ongoing tobacco litigation, to reform the civil justice system responsible for adjudicating tort claims against companies that manufacture tobacco products, and establish a national tobacco policy for the United States that will decrease youth tobacco use and reduce the marketing of tobacco products to young Americans.

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Tuesday, March 17

Comprehensive Tobacco Legislation

The Senate Commerce, Science and Transportation Committee (Chairman **McCain (R-AZ)**) will hold hearings on proposed comprehensive tobacco-control legislation.

Tuesday, April 21

Comprehensive Tobacco Legislation

The Senate Commerce, Science and Transportation Committee (Chairman **McCain (R-AZ)**) will hold hearings on proposed comprehensive tobacco-control legislation.

PAST HEARINGS

Automated Records Management System
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Tuesday, February 10

Tobacco Control and Public Health

The Senate Labor and Human Resources Committee (Chairman **Jeffords (R-VT)**) will hold the first of two hearings on the public health aspects of pending tobacco regulation legislation, including the roles of the Food and Drug Administration, Centers for Disease Control and Prevention, Agency for Health Care Policy and Research, and the National Institutes of Health. HHS witnesses from FDA, CDC, the ASSIST program, the Health Care Policy Group, and NIH have been invited to testify.

Tobacco Control and Civil Liability

The Senate Judiciary Committee (Chairman **Hatch (R-UT)**) will hold a hearing on tobacco control legislation and civil liability. No HHS witnesses have been invited to testify.

Thursday, February 12

Indian Provisions of Tobacco Legislation

The Senate Indian Affairs Committee (Chairman **Campbell (R-CO)**) will hold a hearing on the provisions of comprehensive tobacco-control legislation that affect Native American populations.

W. Craig Vanderwagen, Associate Director, Office of Health Programs, Indian Health Service, HHS will testify.

Agenda:

- S1414 A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.
- S1415 A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.
- S1530 A bill to resolve ongoing tobacco litigation, to reform the civil justice system responsible for adjudicating tort claims against companies that manufacture tobacco products, and establish a national tobacco policy for the United States that will decrease youth tobacco use and reduce the marketing of tobacco products to young Americans.

Thursday, February 19

Field Hearing

The Senate Labor and Human Resources Committee (Chairman **Jeffords (R-VT)**) is scheduled to hold a field hearing on state and local views of proposed national tobacco policy. 10am

Auditorium E, Dartmouth-Hitchcock Medical Center, Lebanon, N.H.

Witnesses:

PANEL

- Philip T. McLaughlin - Attorney General, State of New Hampshire
- William H. Sorrell - Attorney General, State of Vermont
- Jan K. Carney - Commissioner, Vermont Health Department

PANEL

- Albee Budnitz - Board member, New Hampshire Medical Society and American Lung Association of New Hampshire
- Judy Rivers - Board member, New England Board of the American Cancer Society
- William W. Fenniman, Jr. - Chief of Police, Dover, N.H.
- John R. Hughes - Professor of Psychiatry, University of Vermont

ENACT Coalition

The Effective National Action to Control Tobacco (ENACT) Coalition will sponsor a briefing for health staff on comprehensive, sustainable, effective and well-funded national tobacco control legislation.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:24-FEB-1998 13:37:02.00

SUBJECT: FAR/SBA Affirmative Action Rules

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

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

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

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

TEXT:

fyi

----- Forwarded by Richard L. Hayes/WHO/EOP on 02/24/98 01:36 PM

Jefferson B. Hill
02/24/98 01:16:12 PM
Record Type: Record

To: Richard L. Hayes/WHO/EOP
cc: See the distribution list at the bottom of this message
Subject: FAR/SBA Affirmative Action Rules

You asked, under the Congressional Review Act, to which committees the SBA and FAR rules go. You also asked the process for Congress voting on them during the 60-day hold-over period.

Under the Congressional Review Act (CRA), the agency is to send the rule to the Speaker of the House, the President of the Senate, and the GAO. The Speaker/President is to send the rule to the "standing committee of jurisdiction", i.e., the authorizing committees.

The SBA rules, I assume but do not know, go to the House and Senate Small Business Committees.

The FAR rules, issued jointly by DOD, NASA, and GSA, would presumably go to the pertinent authorizing committees -- namely, Senate Armed Services (DOD), Senate Commerce, Science, and Transportation (NASA), Senate Governmental Affairs (GSA), House Government Reform and Oversight (GSA), House National Security (DOD), and House Science (NASA).

The OFPP publication of the Commerce Dept. bench marks would also have to go to the Speaker and the President of the Senate, and then to Senate Governmental Affairs and House GRO as well.

The timing of what happens under the CRA is a bit tricky.

First, the 60-day delay in effective date for a "major" rule is calendar days, and has nothing, statutorily, to do with when Congress can vote to disapprove a regulation. (Statutorily, the delay in effective date and the disapproval procedures are not linked. In practical terms, it presumably is easier to disapprove a rule that has not yet taken effect.)

The expedited procedures under which Congress can vote to disapprove a regulation are a bit tricky. (Congress is always able -- under the normal legislative process -- to vote any disapproval it wants, e.g., the nullification of the long-time-ago FDA saccharine prohibition.)

In summary, if the applicable deadlines are met, the Senate can move free of a filibuster; the House has no special procedures until the Senate passes a resolution of disapproval..

A Member of either House has 60 days (excluding any days that either House is adjourned for more than 3 days during a session of Congress) to introduce a joint resolution of disapproval. (Joint resolutions are like legislation, in that they are submitted to the President for signing or possible veto.)

((I ignore the special procedures available for regulations submitted to Congress 60 session or legislative days before the end of a Congressional session -- roughly late April to early June, depending on the date of final recess)).

Then, in the Senate, there are expedited procedures which need to be implemented within "60 session days" of the submission of the rule to Congress (or publication of the rule in the Federal Register, whichever is earlier).

In other words, a "major" rule cannot take effect for 60 days of submission of the text to the Senate, the House, and GAO (or publication in the Federal Register) or publication in the Federal Register, whichever is later. For a period somewhat longer than that, a Member is able to introduce a joint resolution of disapproval, which -- to avoid a possible Senate filibuster -- has to move ahead within 60 session days of the submission date (generally earlier than publication date -- because agencies generally send the final rules to the Congress and the Federal Register on the same date). Given current timing, Congress would have to move by relatively late this Session to disapprove these rules under the expedited procedure. ((By June or so, the disapproval process presumably would roll over until next year.))

How, exactly, all this would happen is not clear -- Congress has not yet tried to implement the detailed procedures.

If you have any questions about this, please call (395-3176).

Message Copied

To:

Steven L. Schooner/OMB/EOP
Linda G. Williams/OMB/EOP
Victoria Wassmer/OMB/EOP
Peter N. Weiss/OMB/EOP
Donald R. Arbuckle/OMB/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lucia A. Wyman (CN=Lucia A. Wyman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:24-FEB-1998 18:44:47.00

SUBJECT: Cloning

TO: Rachel E. Levinson (CN=Rachel E. Levinson/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

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

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

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

TEXT:

concerns

if we receive a bill that impedes research but has a grandfather clause or someother type of softener, do we sign? this would be a frist/bond bill w/changes. in a war of words, what is an embryo, we lose. when is an embryo an embryo (we lose). i'm beginning to think, if there is no middle ground and i don't think there is, we should consider a clean fight.

i keep hearing from the hill that the repubs are trying to peel off the research community. if this is the case, we need to regroup.

rachel levinson will be back on friday. can we regroup then? elena, what's a good time?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 18:27:59.00

SUBJECT: Auto Choice

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

READ:UNKNOWN

TEXT:

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

TEXT:

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February 18, 1998

MEMORANDUM FOR ERSKINE BOWLES

SUBJECT: **Auto Choice**

Overview

The purpose of the memorandum is to provide you information on auto-insurance reform and the "Auto Choice" legislation introduced last April by a bipartisan coalition of Members of Congress. Over the last several months, a NEC-DPC inter-agency working group has spent considerable time analyzing the Auto Choice proposal and putting together other reform options.

It is the strong view of the working group that the benefits of Auto Choice have been far overstated and the costs far understated. For example, proponents of Auto Choice argue that it will reduce insurance premiums by approximately \$250 per year for the average driver. Opponents however point out that states that currently mandate insurance companies to offer no-fault insurance plans have some of the highest rates in the country (New Jersey, Kentucky, and Pennsylvania) and that the proposal will benefit bad drivers at the cost of good drivers. In addition, economists argue that if Auto Choice does induce reduced premiums, more people will drive leading to more accidents, increased environmental degradation, and greater strain on our infrastructure.

Background

"No-fault" insurance, in its broadest sense, is defined as any auto insurance program that allows policyholders to recover financial losses *from their own insurance company, regardless of fault*. In its strictest form, no-fault applies only to state laws that both provide for the payment of no-fault first-party benefits *and* restrict the right to sue. "Pure" no-fault proposals go one step further, abolishing the right to sue in the majority of cases.

Under current state-level no-fault laws, motorists may sue for severe injuries and for pain and suffering only if the case meets certain conditions. These conditions, known as a "threshold," relate to the severity of injury. They may be expressed in verbal terms (a descriptive or verbal threshold) or in dollar amounts of medical bills (a monetary threshold). Some laws also include the days of disability incurred as a result of the accident.

Options

The working group has considered three options. The first is the Auto Choice legislation introduced by Senators McConnell and Moynihan and Representative Armev. The second is a

proposal developed by CEA to achieve the same ends as Auto Choice -- lower premiums -- but to do so while reducing environmental and human costs. The third is a proposal to attack the major reason for high insurance costs, fraud.

Option 1: Auto Choice -- Under this proposal, drivers in states who accept the new federal legislation have a choice between the existing system in their state and a strict no-fault plan (called 'personal protection insurance' (PPI). A driver who chooses the PPI option gets first-party coverage for economic damages (mostly medical and lost wages), without regard to fault; a PPI driver can sue or be sued for economic damages above policy limits. PPI drivers cannot sue or be sued for non-economic damages ('pain and suffering'), although exceptions are made for accidents involving drug or alcohol abuse. A driver who opts to stay in the state's current tort system must purchase tort maintenance coverage (TMC) to cover accidents with PPI drivers.

The Joint Economic Committee estimates that the Auto Choice Reform Act would save consumers \$45 billion per year. According to Senator McConnell, the average driver currently pays \$757 per year for auto insurance -- and the act would cut that amount by about a third (\$243 per driver). The plan achieves these supposed savings by trading lower premiums for agreeing to give up the right to sue for pain and suffering. Currently, drivers who sue after an auto accident may be awarded an amount to compensate for noneconomic (pain and suffering) as well as economic (out-of-pocket) damages.

Pros

- Reductions in premiums for PPI drivers -- Premium savings come both from the reduction of substantial, unnecessary transaction costs such as lawyers fees and the elimination of pay-outs for pain and suffering.
- Speedier processing of claims for PPI drivers -- PPI drivers will also have their claims processed faster under their first-party coverage than under the current third-party coverage.
- Benefits for low-income PPI drivers -- Low-income drivers who elect the PPI option will particularly benefit. The tort system works to the disadvantage of lower income drivers who are less likely to be able to afford to wait out costly litigation.
- Could reduce the number of uninsured motorists -- With the reduced premiums offered by PPI, some motorists who chose not to insure in a tort system may now be willing to purchase insurance.

Cons

- More accidents, pollution, and congestion -- The reduction in premiums for those who choose no-fault will result in more drivers on the road. More driving means more accidents, pollution and congestion. In addition, reduced liability for negligence may result in less careful driving.
- Premiums for safe TMC drivers may increase -- A TMC driver's liability is reduced since PPI drivers whom they hit cannot sue them. However, TMC drivers must now insure their own

economic and non-economic damages if they are not at fault and are hit by a PPI driver.

- Will there be a real choice? In a competitive market, premiums for bad drivers who switch to PPI will fall more than premiums for good drivers who switch. The resulting self-selection of bad drivers into PPI will exacerbate the above problem of rising TMC rates for safe drivers. As TMC premiums rise, more people will switch to PPI, thus further raising TMC premiums. These increases in TMC premiums could effectively remove any real 'choice' between the two systems. However, in the three states that currently offer Choice, state regulation prevents the competitive rate setting that would produce this self selection and hence 'choice' may be preserved.
- Federal/State role. Even though the Auto Choice bill allows states to opt out of the system, it nevertheless represents Federal involvement in an area that traditionally has been the responsibility of states governments.

Option 2: Per-Mile Premiums -- The CEA has developed an alternative proposal that sought to achieve the same ends as Auto Choice -- lower premiums -- but with the additional benefits of reduced greenhouse gases and smog pollutants and less traffic accidents.

The CEA proposal would amend the Auto Choice to require insurance companies to offer premiums on a per-mile basis. Per-mile premiums would be charged based on an estimate of miles, with a rebate or surcharge issued every year after an odometer reading. Odometers could be read at existing emissions or safety inspections or by firms under contract with insurance companies. Insurance companies would compete in their per-mile premium, subject to current regulations; premiums would consequently vary with region, driving record, type of car, and safety features, much as premiums vary now.

Pros

- Saves Lives -- CEA estimates Per-Mile Premiums could save 9,000 lives per year because of financial incentive to drive less miles.
- More Savings -- Potential \$20 billion in savings on top of Auto Choice savings of \$45 billion.
- Environmental Benefits -- A reduction in driving will reduce emissions of greenhouse gases and smog, providing another incentive for the Kyoto Agreement and the EPA PM/Ozone rule.

Cons

- Driving Tax -- The proposal will be attacked as a tax on gas and driving.
- Odometer Fraud -- Per-Mile premiums will provide individuals with an incentive to commit odometer fraud
- Big Government -- Consumers could be upset by the yearly inspection of odometers and

having to pay insurance surcharges if they drive more than they estimated at the beginning of the year.

- No Pass Through of Savings -- No guarantee insurance companies will pass on savings of either Auto Choice or Per-Mile Premiums.

Option 3: Anti-Fraud Initiative -- A third option is to call for a series of initiatives to combat auto insurance fraud. According to the FBI, fraud is the leading cause of higher insurance premiums (Tom what did Freeh's study say). Under this proposal, we would announce support for legislation that would 1) increase penalties on lawyers and doctors who participate in auto insurance fraud claims, including possibly taking away licenses to practice law or medicine; 2) encourage insurance companies to install V-Chips into odometers so they could check the mileage of drivers at random and reduce premiums for those who drive less and increase premiums for those who drive more.

Pros

- Politically Feasible -- This option would not probably meet the least political resistance from.
- Incremental Approach -- This proposal potentially could provide savings to consumers without radically altering the current system or challenging state control of auto insurance regulation.

Cons

- Less Concrete -- This proposal is less concrete and may not appeal to many voters. In addition anti-fraud initiatives often do not produce the type of savings that are advertised.
- No Certainty of Savings To Consumers -- There is no mechanism to insure that insurance companies pass on savings to consumers.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 20:12:25.00

SUBJECT: More WtW Formula Grant state approvals--we're giving VP the opportunity

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

----- Forwarded by Cynthia A. Rice/OPD/EOP on 02/24/98
08:11 PM -----

Andrea Kane

02/24/98 06:37:59 PM

Record Type: Record

To: Lee Ann Brackett/OVP @ OVP

cc: Cynthia A. Rice/OPD/EOP, Diana Fortuna/OPD/EOP

Subject: WtW Formula Grant approvals--update

At the 4 p.m. welfare meeting, DOL mentioned that they are close to approving TN, KA, HI, KY (and possibly MN and DE). They're aiming to have everything ready to go by Thursday, with announcement possible by Monday. Secretary Herman is keynote speaker at the National Assoc for Private Industry Council meeting on Monday and would probably announce their unless VP want to do an announcement. They are still checking on whether GA is a possibility for 3/2. If GA is not ready for 3/2, would VP still want to use the other states for an announcement early next week?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:24-FEB-1998 13:19:50.00

SUBJECT: Benchmarking Meeting

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

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

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

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

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

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

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

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

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

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

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

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

CC: Dario J. Gomez (CN=Dario J. Gomez/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

CC: Patricia E. Romani (CN=Patricia E. Romani/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

**AFFIRMATIVE ACTION PROCUREMENT
REFORM ROLL-OUT AND AMPLIFICATION**

OBJECTIVES

- *Illustrate the President's on-going commitment to affirmative action*
- *Present an accurate and complete portrayal of the what the President has done to "mend affirmative action" procurement programs to the media and public*
- *Ramp up Federal government efforts to implement the reform program*
- *Illustrate other things federal agencies and the private sector are doing to promote diversity*

Week of February 23-27, 1998

Briefings:

- POTUS Chuck Ruff/Other Staff
- Staff from Senator Kennedy/Daschael/Gephardt/Leahy/Bacus/
DPC offices WH
- Wade Henderson, Nancy Zirkin, Weldon Latham,
Harold McDougall, Tom Henderson, Penda Hair, Elaine Jones,
Tony Robinson, Cobbie DeGraft, Joann Payne, and Helen Norton WH
- Bill Lee hearing Justice

Materials:

- Verify methodology for benchmarks and price credits Commerce
- Finalize Federal Acquisition Regulations (FAR) OIRA
*[Note: There will be two FAR rules published one-day apart:
The first one will offer price credits for SDBs, effective May 7, 1998; and
the second rule, which will modify the first rule, will offer subcontracting
credits for prime contractors, effective September 1, 1998.]*
- Finalize SBA regulations SBA/OIRA
*[Note: There will be two SBA rules: The first one will make changes to
the 8(a) program; and the second rule will establish the SDB
certification program.]*
- Revise benchmarks technical paper, talking points and Q&As Commerce/Justice/WH
- Draft implementation plan for agency procurement officials OFPP
- Revise *Federal Register* notice announcing benchmarks and
price credits OFPP/WH
- Revise press plan/message Ann Lewis
- Finalize SDB Certification talking points Richard Hayes
- Finalize regulatory analysis and "emergency" paperwork
clearance forms SBA/OIRA
- Develop constituency/outreach lists OPL/Intergovernmental
- Relevant FY '99 budget materials (e.g., civil rights enforcement) OMB
- Draft Presidential letter to agencies Hayes/Weiner/Chirwa

Week of March 2 - 6, 1998

Materials:

- Send FAR rules to *Federal Register* on March 3 for publication, March 9 and 10, 1998 OFPP/FAR
- Send SBA rules to *Federal Register* on March 3 for publication, March 9, 1998 OFPP/FAR
- Reproduce all materials (benchmarks technical paper, talking points, Q&As, accomplishments, etc.) OPL
- Distribute materials to surrogates/validators Hayes
- Draft/circulate POTUS remarks Speech writers
- Finalize Presidential letter to agencies Hayes/Weiner/Chirwa

Briefings:

- Cabinet Erskine/Ruff
- Aida Alvarez's House and Senate testimony SBA
- Congressional Black Caucus Surrogates: TBD
- Congressional Hispanic Caucus Surrogates: TBD
- Congressional Asian Pacific American Caucus Surrogates: TBD
- Native American Caucus Surrogates: TBD
- Blue Dog Coalition Surrogates: TBD
- New Democrats Surrogates: TBD
- Gephardt's Affirmative Action Task Force Surrogates: TBD
- House and Senate Appropriations Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies WH/SBA Leg. Affairs/Justice
- House and Senate Small Business Committees WH/SBA Leg. Affairs
- House Judiciary Subcommittee on the Constitution (Minority Staff) WH/SBA Leg. Affairs
- Senator Carol Mosely Braun WH/SBA Leg. Affairs
- Senator Kay Bailey Hurdchinson WH/SBA Leg. Affairs
- Senator Pete Domenici WH/SBA Leg. Affairs
- Senator Frank Lautenberg WH/SBA Leg. Affairs

Print:

- Mail materials to minority and speciality press Communications
- Conduct background interview with Jon Peterson Surrogates: TBD

Week of March 9-13, 1998

Briefings:

- WH announcement Surrogate: TBD
- Agency General Counsels Justice/Counsel to the President

- Chiefs-of-Staff Cabinet Affairs
- Agency procurement officials/OSDBUs OFPP/Justice
- Two briefings in Room 450 for civil rights, minority business and women's community OPL/Intergovernmental
- One way conference call with key leaders around country OPL/Intergovernmental
- President's Initiative on Race Advisory Committee and staff Surrogate: TBD
- WH Press Corps Surrogate: TBD

Print:

- Conduct interviews with major press outlets (N.Y. Times, Washington Post, Chicago Sun Times, Wall Street Journal) Surrogate: TBD
- Conduct interviews with press outlets in targeted Cities Surrogate: TBD
- Conduct interviews with minority and speciality press Surrogate: TBD
- Mail materials to top 250 editorial boards Communications

Television:

- BET Public Affairs show Surrogate: TBD
- Both Sides with Jessie Jackson Surrogate: TBD
- Univision's Temas y Debates Surrogate: TBD
- Spanish Language Network Surrogate: TBD

Radio:

- Urban Radio Network Surrogate: TBD

Cabinet Travel:

- Tuesday, Wednesday, Thursday or Friday - TBD

People to be active:

- Cabinet members TBD
- WH Senior Staff TBD
- Local Elected Officials TBD
- Surrogates Constituency Leaders: TBD
Validators (Wade Henderson, Deval Patrick, Weldon Latham, Elaine Jones, Nancy Zirkin, Marcia Greenberger, Chris Edley, Joann Payne, Jessie Jackson, Anthony Robinson, Georgina Verdugo, Karen Naraski, more - TBD)
Republicans/moderates - TBD
Real people - TBD

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 15:06:45.00

SUBJECT: Food Safety 90-Day Report

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

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

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

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

TEXT:

Elena--

Unless you have any major objections to it, I going to tell Karen Houlebak at FDA that Dr. Friedman could mention that the food safety 90-day report is completed and set to go out during his congressional testimony on Wednesday. Wendy Taylor at OMB said that would be ok. The final copy with the transmittal letter is being delivered this afternoon. Let me know, Mary

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 24-FEB-1998 15:30:13.00

SUBJECT: Cloning update.

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

READ: UNKNOWN

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

READ: UNKNOWN

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

READ: UNKNOWN

TEXT:

I had sent this note while you were away.

----- Forwarded by Jerold R. Mande/OSTP/EOP on 02/24/98
03:24 PM -----

Jerold R. Mande

02/18/98 04:34:52 PM

Record Type: Record

To: Elena Kagan/OPD/EOP

cc:

Subject: Cloning update.

I want to revisit a decision we made last week not to reach out to groups. I have heard that the Rs are hard at work. In meetings, they have made it clear they will bring cloning up again as soon as they can regroup. The Rs have also begun leaning on the groups that worked our side of the issue and reminding them who controls the fate of the rest of the groups' legislative agendas. I recommend that we convene a meeting of the groups to rally continued support and brief them on issues such as FDA jurisdiction. Let me know if you agree, and I will work with OPL to set this up. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 14:37:24.00

SUBJECT: Shalala's comment re: McCain

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I assume Shalala misspoke or was misinformed when she said today that "we don't want to give McCain a list of 97 answers." Do you think I need to call over there and check? Clearly her staff have already prepared suggested answers for us.

**Crime Meeting Agenda
February 25, 1998**

Automated Records Management System
Hex-Dump Conversion

Pending Events

- * Possible Drunk Driving Event
 - Call on Congress to pass .08 BAC legislation.
 - Timing of NEXTEA

- * 3/14 Tentative Assault Weapons Radio Address
 - Release date for report

Legislative Update

- * Juvenile crime
 - Model Juvenile Handgun Legislation

- * Drugs
 - Crack cocaine: Abraham bill
 - ONDCP Reauthorization
 - Drug Strategy Resolution

- * Miscellaneous
 - 1) Crimes against children package (missing children, Internet stalking)
 - 2) Witness protection
 - 3) Bailey fix
 - 4) Durbin bill on handgun sale waiting period

Other Potential Events

- * Youth gun violence event with National Association Attys General (3/13)

- * Gun Trafficking (Schumer legislation)

- * Money Laundering/ Final GTO Regulation

- * School Violence Report Card possibly released mid-March.

- * 4th Anniversary of AG's Violent Crime Initiative

Miscellaneous/ Pending Items

- * Update from DOJ on drug testing and driver's licenses funding issue.
- * NIJ Gang Report -- postponed
- * Any other pending events/releases--DOJ Reports
- * 2/28 is 4th anniversary of Brady implementation (Holder remarks at availability).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 24-FEB-1998 12:40:21.00

SUBJECT: FYI. B & W and Marijuana story

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

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

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

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

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

TEXT:

Tobacco Company Considered Lacing Cigarettes With Marijuana [02/23-3]

It Even Registered Brand Names like "Acapulco Gold" and "Red Leb"

Internal documents show that the British American Tobacco Company, the parent of Brown and Williamson (B&W) in the U.S., considered lacing its cigarettes with "near-subliminal" levels of marijuana, and even went so far as to register as brand names "Acapulco Gold" and "Red Leb" (Red Lebanese).

One company document "considers the main threats to the smoking habit... and draws attention to the undoubted opportunities which exist in the development of future products".

It went on: "in the illicit use of marijuana, relatively large doses of the active principal are involved. If the use of such drugs was legalized, one avenue for exploitation would be the augmentation of cigarettes with near subliminal levels of the drug."

This new revelation comes at a time when other internal documents show that the major U.S. tobacco companies -- including B&W -- deliberately tried to attract children to begin smoking cigarettes, a practice they knew was likely to lead to a life-long addiction for many.

Some even show that one company "studied third graders to determine if hyperactive children are a potential market for cigarettes."

"It is outrageous that a company selling an addictive product used by millions of children should even

consider adding marijuana, and adopting the street names used by kids for drugs as its brand names," says law professor John Banzhaf, Executive Director of Action on Smoking and Health (ASH).

This is one more reason why Congress should not grant the industry any immunity from law suits, and why no deal should even be considered until all secret documents and the misdeeds they reveal are released, he said.

ASH is the national legal-action organization largely responsible for the persuading the FDA to regulate nicotine in cigarettes.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:24-FEB-1998 10:02:20.00

SUBJECT: Benchmarking meeting

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**AFFIRMATIVE ACTION PROCUREMENT
REFORM ROLL-OUT AND AMPLIFICATION**

OBJECTIVES

- *Illustrate the President's on-going commitment to affirmative action*
- *Present an accurate and complete portrayal of the what the President has done to "mend affirmative action" procurement programs to the media and public*
- *Ramp up Federal government efforts to implement the reform program*
- *Illustrate other things federal agencies and the private sector are doing to promote diversity*

Week of February 23-27, 1998

Briefings:

- POTUS Chuck Ruff/Other Staff
- Staff from Senator Kennedy/Daschael/Gephardt/Leahy/Bacus/
DPC offices WH
- Wade Henderson, Nancy Zirkin, Weldon Latham,
Harold McDougall, Tom Henderson, Penda Hair, Elaine Jones,
Tony Robinson, Cobbie DeGraft, Joann Payne, and Helen Norton WH
- Bill Lee hearing Justice

Materials:

- Verify methodology for benchmarks and price credits Commerce
- Finalize Federal Acquisition Regulations (FAR) OIRA
*[Note: There will be two FAR rules published one-day apart:
The first one will offer price credits for SDBs, effective May 7, 1998; and
the second rule, which will modify the first rule, will offer subcontracting
credits for prime contractors, effective September 1, 1998.]*
- Finalize SBA regulations SBA/OIRA
*[Note: There will be two SBA rules: The first one will make changes to
the 8(a) program; and the second rule will establish the SDB
certification program.]*
- Revise benchmarks technical paper, talking points and Q&As Commerce/Justice/WH
- Draft implementation plan for agency procurement officials OFPP
- Revise *Federal Register* notice announcing benchmarks and
price credits OFPP/WH
- Revise press plan/message Ann Lewis
- Finalize SDB Certification talking points Richard Hayes
- Finalize regulatory analysis and "emergency" paperwork
clearance forms SBA/OIRA
- Develop constituency/outreach lists OPL/Intergovernmental
- Relevant FY '99 budget materials (e.g., civil rights enforcement) OMB
- Draft Presidential letter to agencies Hayes/Weiner/Chirwa

Week of March 2 - 6, 1998

Materials:

- Send FAR rules to *Federal Register* for publication March 9 and 10, 1998 OFPP/FAR
- Send SBA rules to *Federal Register* for publication March 9, 1998 OFPP/FAR
- Reproduce all materials (benchmarks technical paper, talking points, Q&As, accomplishments, etc.) OPL
- Distribute materials to surrogates/validators Hayes
- Draft/circulate POTUS remarks Speech writers
- Finalize Presidential letter to agencies Hayes/Weiner/Chirwa

Briefings:

- Cabinet Erskine/Ruff
- Aida Alvarez's House and Senate testimony SBA
- Congressional Black Caucus Surrogates: TBD
- Congressional Hispanic Caucus Surrogates: TBD
- Congressional Asian Pacific American Caucus Surrogates: TBD
- Native American Caucus Surrogates: TBD
- Blue Dog Coalition Surrogates: TBD
- New Democrats Surrogates: TBD
- Gephardt's Affirmative Action Task Force Surrogates: TBD
- House and Senate Appropriations Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies WH/SBA Leg. Affairs/Justice
- House and Senate Small Business Committees WH/SBA Leg. Affairs
- House Judiciary Subcommittee on the Constitution (Minority Staff) WH/SBA Leg. Affairs
- Senator Carol Mosely Braun WH/SBA Leg. Affairs
- Senator Kay Bailey Hurdthinson WH/SBA Leg. Affairs
- Senator Pete Domenici WH/SBA Leg. Affairs
- Senator Frank Lautenberg WH/SBA Leg. Affairs

Print:

- Mail materials to minority and speciality press Communications
- Conduct background interview with Jon Peterson Surrogates: TBD

Week of March 9-13, 1998

Briefings:

- WH announcement Surrogate: TBD
- Agency General Counsels Justice/Counsel to the President

- Chiefs-of-Staff Cabinet Affairs
- Agency procurement officials/OSDBUs OFPP/Justice
- Two briefings in Room 450 for civil rights, minority business and women's community OPL/Intergovernmental
- One way conference call with key leaders around country OPL/Intergovernmental
- President's Initiative on Race Advisory Committee and staff Surrogate: TBD
- WH Press Corps Surrogate: TBD

Print:

- Conduct interviews with major press outlets (N.Y. Times, Washington Post, Chicago Sun Times, Wall Street Journal) Surrogate: TBD
- Conduct interviews with press outlets in targeted Cities Surrogate: TBD
- Conduct interviews with minority and speciality press Surrogate: TBD
- Mail materials to top 250 editorial boards Communications

Television:

- BET Public Affairs show Surrogate: TBD
- Both Sides with Jessie Jackson Surrogate: TBD
- Univision's Temas y Debates Surrogate: TBD
- Spanish Language Network Surrogate: TBD

Radio:

- Urban Radio Network Surrogate: TBD

Cabinet Travel:

- Tuesday, Wednesday, Thursday or Friday - TBD

People to be active:

- Cabinet members TBD
- WH Senior Staff TBD
- Local Elected Officials TBD
- Surrogates Constituency Leaders: TBD
Validators (Wade Henderson, Deval Patrick, Weldon Latham, Elaine Jones, Nancy Zirkin, Marcia Greenberger, Chris Edley, Joann Payne, Jessie Jackson, Anthony Robinson, Georgina Verdugo, Karen Naraski, more - TBD)
Republicans/moderates - TBD
Real people - TBD

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 13:38:53.00

SUBJECT: H1-B rewrite from Labor

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,

This is the most recent version of the Labor testimony on H1B. Ingrid has received comments from Defense, Office of Science & Technology Policy, and the National Science Foundation. Defense and OSTP were unhappy that they were not included in the working group. I told Ingrid that she should send me their calls, and I will make sure to include them next time.

Ingrid is faxing me the written comments on the testimony (I think the only written comments were from the NSF). I will forward them to you as soon as I have them. Also, according to Ingrid, OSTP has long been opposed to the Administration's proposed reforms in this area, and wanted to use this opportunity to try to open up the box again.

Julie

----- Forwarded by Julie A. Fernandes/OPD/EOP on 02/24/98
01:44 PM -----

INGRID M. SCHROEDER
02/24/98 01:32:44 PM
Record Type: Record

To: Julie A. Fernandes/OPD/EOP
cc:
Subject: H1-B rewrite from Labor

This is the Labor rewrite. OMB's comments will follow and I will fax over the other comments.

----- Forwarded by Ingrid M. Schroeder/OMB/EOP on
02/24/98 01:32 PM -----

INGRID M. SCHROEDER
02/24/98 10:09:38 AM
Record Type: Record

To: Debra J. Bond/OMB/EOP@EOP
cc:
Subject: H1-B rewrite from Labor

According to Labor - this rewrite is based on a meeting with DPC/NEC at

2:30pm yesterday. The changes are in redline/strikeout.

STATEMENT OF RAYMOND J. UHALDE
ACTING ASSISTANT SECRETARY OF LABOR
before the
THE SENATE JUDICIARY COMMITTEE

February 25, 1998

Mr. Chairman and Members of the Committee:

Let me begin today, Mr. Chairman, by expressing my sincere appreciation to you for affording me this opportunity to share the views of the Administration regarding immigration, labor market conditions in high-technology industries, and possible reforms in the H-1B nonimmigrant visa program. The Administration shares your interest in the information technology industry, as evidenced by our participation in a recent convocation in Berkeley that addressed Information Technology (IT) work force needs. Further, as you know from Administration proposals advanced beginning in 1993, we believe that the H-1B program needs reform. This employment-based visa program is seriously flawed in its current form and urgently requires the attention of Congress. I would like to commend the Committee for its interest in these issues.

Tight Labor Markets and IT Skills Shortages

It is clear that IT employment is growing rapidly, IT labor markets are tight, and they are likely to remain so. Although this is true for the nation as a whole, given our sustained economic expansion and low national unemployment rate, IT labor markets appear to be particularly affected. Employment of computer systems analysts, engineers, and scientists has been growing by 10% a year -- well above the growth of comparable occupations -- and is expected to continue growing at a comparable rate through 2006. BLS projects that the U.S. will require more than 1.3 million new workers in IT core occupations between 1996 and 2006 to fill job openings projected to occur due to growth and the need to replace workers who leave the labor force or transfer to other occupations.

The IT skills shortage issue is very controversial. Industry advocates say that hundreds of thousands of jobs cannot be filled and that these vacancies are hurting U.S. competitiveness. Critics say the IT industry: (1) drastically overstates any problem by producing inflated job vacancy data and equating it to skills shortages; (2) continues to lay off tens of thousands of workers (e.g., AT&T recently announced large lay-offs); and (3) fails to tap reservoirs of talent available by using unnecessarily specific recruitment requirements and not providing more training to current IT workers.

One point of contention is the confusion between job vacancies and actual skills shortages. Even if the latest industry survey, which found nearly 350,000 job vacancies in the IT industry is accurate, it does not mean that there is a skills shortage of that same magnitude. Nearly all industries and firms, particularly those with rapid employment growth and high worker turnover, will have large numbers of jobs openings or vacancies without experiencing skills shortages.

Evidence from perhaps the best predictor of skills shortages -- wage growth -- does not suggest acute skills shortages nationwide in the IT industry, but may be consistent with skills shortages in specialized occupational areas and selected local areas. Broad-based Bureau of Labor Statistics (BLS) surveys show increases in IT wages in 1996 and 1997 that are only modestly above comparable occupations, while more specialized industry surveys show much larger wage increases in more specialized, high-skills occupations.

Educating and Training U.S. Workers

The Administration believes it is essential, regardless of the magnitude of the problem, to shape public policy to assure that IT meet the workforce needs of the IT industry, as well as those of any other industry, through the education and training of U.S. workers. but that increased immigration should be the last -- not the first -- public policy response to skills shortages. Our first response should be to provide the needed skills to U.S. workers to qualify them for IT jobs. Increased immigration should be the last -- not the first -- public policy response to skills shortages.

Tight labor markets and skills shortages create incentives for employers and workers to behave in ways needed to achieve many of the Administration's top priorities: moving welfare recipients, out-of-school youth, and workers dislocated by trade into jobs; providing greater opportunities for lifelong learning; and raising wages and reducing income inequality. Reliance on increased immigration, however, would undercut these market incentives and adversely affect our ability to upgrade the skills of U.S. workers to meet emerging skills shortages.

The existence of a tight labor market causes employers to raise wages, improve working conditions, and provide increased training to enable currently employed workers to keep pace with technology and induce more workers to enter the labor market. The increased demand for trained workers induces educational and job training institutions to teach new skills. With more opportunities for training, workers acquire skills needed to obtain better, higher-paying and more secure jobs, thereby creating open jobs and career ladders for those just entering or reentering the labor market -- young people, welfare recipients, displaced workers, and other disadvantaged groups.

Labor markets are sometimes slow to respond to skills shortages. In these circumstances, it is often argued that foreign temporary workers are needed in the short-term to provide necessary skills while the labor market adjusts and provides U.S. workers with the requisite training. Without needed foreign temporary workers, some argue that the IT industry may adjust to skills shortages in ways that do not serve the short-term or long-term priorities of the country, either by reducing job creation or by moving jobs overseas. Further, it is argued that IT industries are so critical to our competitive edge in an array of industries and services that disproportionate harm could come to the U.S. economy.

Even in such circumstances, however, the use of foreign temporary workers will interfere with labor market adjustments and makes achieving our other priorities more difficult. It dampens the market signals of increased wages, improved working conditions, and enhanced job security and growth potential so that fewer U.S. workers will be induced to acquire new skills, and fewer employers and institutions will be induced to provide more training and education.

Our primary public policy response to skills mismatches due to changing technologies and economic restructuring must be to prepare the U.S. workforce to meet new demands. Importing needed skills should usually be a short-term response to meet urgent needs while we actively adjust to quickly changing circumstances.

The Administration already has taken significant steps to increase our capacity for increasing workforce skills. The President continues to pursue comprehensive reform of the Nation's employment and training system by working with Congress to enact the principles embodied in his GI Bill proposal. Moreover, in the historic balanced budget agreement of last summer, the President insisted on and achieved the largest increase in 30 years in the Federal investment to expand the skills of American workers, including:

-- the largest Pell Grant increase in two decades -- boosting the

maximum from \$2,700 to \$3,000;

- a \$1,500 Hope Scholarship to make the first two years of school universally available through tax credits;
- the Lifelong Learning Tax Credit for the last 2 years of college and continuing adult education and training to upgrade worker skills;
- a 10 percent increase in employment and training resources for dislocated workers and disadvantaged workers and youth to over \$5 billion; and
- a \$3 billion program to help move 1 million people from welfare to work.

Further, the Administration announced several new efforts at the recent Berkeley Convocation to help address the growing demand for information technology workers:

- A Labor Department Technology Demonstration project to test innovative ways of establishing partnerships between local workforce development systems, employers, training providers and others to train dislocated workers in needed high tech skills;

-- The expansion and integration of America's Job Bank and America's Talent Bank by the Labor Department to allow employers and workers to list and access job openings and worker resumes in one integrated system.

A Commerce Department grant program to bring information technology to low-income persons, particularly to enhance education and life-long learning;

The convening of four town hall meetings by the Commerce Department to discuss IT workforce needs, identify best practices, and showcase successful models; and

A joint Education and Labor grant program to expand employer involvement in high technology school-to-work programs.

We think that there is more that we can do to move U.S. workers into high technology jobs, and we welcome the discussions that may be sparked by this hearing. We are committed to pursuing a continued dialogue with the major stakeholders in the IT workforce issue -- government, industry, workers, and education and training institutions -- to better define the workforce needs of the IT industry and develop appropriate solutions to meet these needs involving commitments from each of the stakeholders. Such a dialogue is critical because increased immigration, if needed, can be only a small part of the solution to the workforce needs of the IT industry.

Given this broader context, let me turn to the need for reform of the H-1B nonimmigrant program.

H-1B Nonimmigrant Program

The H-1B program allows the admission of up to 65,000 workers each year (to stay for as long as six years), ostensibly to meet short-term, high-skills employment needs in the domestic labor market. In principle, this can be an appropriate purpose, consistent with our overall goal of giving priority to improving the skills of U.S. workers.

In practice, however, employers do not have to demonstrate any type of employment need or domestic recruitment prior to getting a foreign worker. Exacerbating this problem, the Labor Department is limited strictly in its ability to enforce the minimum standards that employers must adhere to. Employers obtain H-1B foreign workers by filing a labor condition application with the Department affirming that they have complied with four requirements:

- that a wage (not less than the local prevailing rate) will be paid to the foreign workers;
- that no strike or lockout exists;
- that notification has been provided to U.S. workers and their unions; and
- that the employment of H-1B nonimmigrants will not adversely

affect the working conditions of U.S. workers similarly employed. By law, the Labor Department can do no more than review these attestations for completeness and obvious inaccuracies -- to determine whether an employer checked all of the boxes, made no flagrant errors, and signed the attestation. Once the Department has reviewed the attestation, its enforcement has been limited by the fact that foreign worker is unlikely to make a complaint.

Our experience with the practical operation of the H-1B program has raised serious concerns that what was conceived as a means to meet temporary business needs for unique, highly-skilled professionals from abroad is, in fact, being used for a totally different purpose. Some employers -- though a minority of those who use the H-1B program -- seek admission of foreign workers to compete with qualified U.S. workers because temporary foreign workers are tied to one employer and are likely to be willing to work for lower wages and under less favorable working conditions. As a result, relatively large numbers of foreign workers who may well be displacing U.S. workers and eroding employers' commitment to the domestic workforce.

Many employers, to be sure, use the H-1B nonimmigrant program for its stated purpose: to provide U.S. businesses with timely access to the "best and the brightest" in the international labor market to meet urgent but generally temporary business needs. I want to emphasize that the Administration recognizes the need for this legitimate use of the program. But reform of the H-1B program is needed because it does not provide the needed balance between timely access to the international labor market and adequate protection of U.S. workers' job opportunities, wages and working conditions.

Greater protections for U.S. workers are needed because many employers use the H-1B program to employ not the "best and the brightest," but rather entry-level foreign workers who compete with U.S. workers. Minimum education and work experience qualifications for H-1B jobs are quite low -- a 4-year college degree and no work experience, or the equivalent in terms of combined education and work experience. Thus, a foreign worker with the equivalent of a community college degree and a few years of experience can compete with U.S. workers. These low educational requirements result in nearly 80 percent of H-1B jobs paying less than \$50,000 a year and more than 70 percent of the jobs being in computer-related occupations, physical therapists, and other health-related occupations.

The H-1B program is broken in several respects. First, current law does not require any test for the availability of qualified U.S. workers in the domestic labor market. Therefore, many of the visas under the current cap of 65,000 can be used lawfully by employers to hire foreign workers for purposes other than meeting a skills shortage. Second, current law allows a U.S. employer to lay off U.S. workers and replace them with H-1B workers. Third, current law allows employers to retain H-1B workers for up to 6 years to fill a presumably "temporary" need. We simply do not believe this is right. The H-1B program does almost nothing to encourage U.S. employers to develop U.S. workers to perform the jobs for which they are seeking nonimmigrants, or to limit their dependency on a nonimmigrant workforce.

As a result of these weaknesses in the program, it has become increasingly evident that the H-1B program is being utilized by some as the basis for building businesses dependent on the labors of foreign workers in relatively low-level computer-related and health care occupations. This is a clear example of companies using H-1B visas for foreign workers that are not needed to meet skills shortages. Such businesses are, in some cases, in unfair competition with U.S. workers and those U.S. businesses that employ mostly U.S. workers. The existence of "job contractors" with work forces composed predominantly or even entirely

of H-1B workers, which then lease these employees to other U.S. companies or use them to provide services previously provided by laid off U.S. workers, is cause for serious concern.

Mr. Chairman, the Administration asked the Congress in 1995 to amend the H-1B nonimmigrant program to address these problems. Unfortunately for many U.S. businesses and workers, these amendments were not enacted. The amendments requested in 1995 were carefully designed to assure continued business access to needed high-skills workers in the international labor market while decreasing the H-1B program's susceptibility to misuse to the detriment of U.S. workers and the businesses which employ them. Briefly stated, the amendments would require employers which seek access to temporary foreign "professional" workers to attest that:

-- they have not laid off or otherwise displaced U.S. workers in the occupations for which they seek nonimmigrant workers in the periods preceding and following their seeking such workers; and,

-- in certain circumstances, they have taken timely and significant steps to recruit and retain U.S. workers in these occupations. In addition, the Administration urged enactment of another amendment to reduce the allowable period of stay under the H-1B program from six to three years to better reflect the "temporary" nature of the presumed employment need.

Enactment of these amendments will help employers actually facing skills shortages, including those in the IT industry, obtain needed workers through the H-1B program. Under existing program rules, employers facing skills shortages are disadvantaged because they must compete for available visas (up to the cap of 65,000) on a first-come, first-served basis with other employers that do not face such shortages. Enactment of the proposed amendments would reduce pressure on the visa cap by screening out employers that are not faced with skills shortages and have no interest in recruiting U.S. workers.

A significant number of such employers use the H-1B program as a probationary program for foreign students who graduate from U.S. colleges, without a market test for U.S. workers, to determine if they want to sponsor the foreign student for permanent immigration status. By reducing the use of the H-1B for such purposes, more visas would be available for employers who need to use the H-1B program for its original purpose -- bringing in foreign workers to fill a temporary, critical need that cannot be met by U.S. workers.

Conclusion

Mr. Chairman, let me conclude by restating that the workforce needs of the IT industry can only be met if we take the steps needed to fully develop and utilize the skills of U.S. workers. Increased immigration can only be a very small part of the solution and must be viewed as a minor complement to the development of the U.S. workforce. Further, let me repeat that reform of the H-1B program is integral and essential to eliminating abuses under the program and providing greater protections for U.S. workers. At a bare minimum, we must not expand a program as fundamentally flawed as the H-1B nonimmigrant visa program. Further, enactment of these reforms would effectively allocate a greater share of H-1B visas to employers facing actual skills shortages.

I appreciate the interest shown by the Committee Members and staff in our views, and your thoughtful consideration of them. The Department looks forward to continuing to work closely and cooperatively with you and your staff on these issues. Mr. Chairman, that concludes my prepared statement.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 12:02:30.00

SUBJECT: Voice mail for job seekers

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:

Bruce/Elena:

FYI. I have had a preliminary discussion with Tom Kalil about looking into the idea of providing voice mail services to those seeking work (either welfare recipients or a larger group of poor job-seekers without phones). On Wed. and Thurs. of this week, there is a conference (unsure who is the sponsor) on telecommunications access for the poor. According to Tom, the VP will attend part of it. Once that is over, I will try to follow up with them on ideas/strategies for this. Also, there is a group in Seattle that is working on a project to provide voice mail to the homeless who may be helpful in thinking about this.

Julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:24-FEB-1998 18:00:09.00

SUBJECT: New Political Affairs State Breakout

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

TEXT:

----- Forwarded by Christa Robinson/OPD/EOP on 02/24/98
05:59 PM -----

Cynthia M. Jasso-Rotunno
02/24/98 04:47:50 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: New Political Affairs State Breakout

FYI...Attached is a list of states and Office of Political Affairs staff members assigned to those states. This list was was emailed to the administrative contact person in your office for distribution. Could you please ensure that the appropriate staff gets this?

Thank you very much.

Message Sent

To:

Cecily C. Williams/WHO/EOP
Anthony R. Bernal/WHO/EOP
David S. Beaubaire/WHO/EOP
Patricia Solis-Doyle/WHO/EOP
Evan Ryan/WHO/EOP
Marie-Therese Dominguez/WHO/EOP
Douglas J. Band/WHO/EOP
Richard Socarides/WHO/EOP
Maurice Daniel/OVP @ OVP
Kimberly H Tilley/OVP @ OVP
Kim B. Widdess/WHO/EOP
Jeffrey A. Forbes/WHO/EOP
Stacie Spector/WHO/EOP
Brian A. Barreto/OPD/EOP
Christa Robinson/OPD/EOP
Joshua Silverman/WHO/EOP

Jonathan Murchinson/WHO/EOP
 Estela Mendoza/WHO/EOP
 Cathy R. Mays/OPD/EOP
 Robin J. Bachman/WHO/EOP
 Miguel M. Bustos/OVP @ OVP
 Alejandra Y. Castillo/ONDCP/EOP
 Tania I. Lopez/WHO/EOP
 Nelson Reyneri/WHO/EOP

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

TEXT:
 Unable to convert ARMS_EXT:[ATTACH.D62]MAIL43430845I.026 to ASCII,
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White House Office of Political Affairs - State Breakout

Craig Smith, Dir. x61125	Chris Lavery, Spec. Asst. To Dir., x61125	Minyon Moore, Dep. Dir. x67910 (Angelique)	Karen Skelton, Dep. Dir. x67910 (Angelique)	Linda Moore, Dep. Dir. & Mid-Western Pol. Dir. x65247	Cynthia Jasso-Rotunno, Chief of Staff & South x65245	Craig Hughes Eastern Pol. Dir. x66257	Mona Pasquil Western Pol. Dir. x65240
Arkansas	Connecticut	D.C.	California	Indiana	Alabama	Colorado	Alaska
	Maryland	Illinois	Tennessee	Iowa	Georgia	Delaware	Arizona
	Massachusetts			Kentucky	Mississippi	Florida	Democrats Abroad
	New Hampshire			Louisiana	North Carolina	Maine	Hawaii
	Vermont			Michigan	South Carolina	New Jersey	Idaho
				Minnesota	Texas	New York	Kansas
				Missouri		Pennsylvania	Montana
				Ohio		Rhode Island	Nebraska
				West Virginia		Virginia	Nevada
				Wisconsin			New Mexico
							North Dakota
							Oklahoma
							Oregon
							South Dakota
							U.S. Territories
							Utah
							Washington
							Wyoming

Automated Records Management System
Hex-Dump Conversion

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*Automated Records Management System
Hex-Dump Conversion*

February 24, 1998

INFORMATION

Draft February 24, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING, BRUCE REED

RE: ADMINISTRATION POLICY ON SKILLED TEMPORARY FOREIGN WORKERS

We are providing you with this informational memo on the "H1-B visa" issue because the *New York Times* recently ran a story on the basis of a leaked internal Administration options memo, and because this is an important topic to Silicon Valley companies. During your trip to California later this week, you will be interacting with high-tech CEOs and may get asked about this. A suggested Q&A is attached.

Current U.S. law permits 65,000 H1-B visas each year for skilled (BA or equivalent) temporary foreign workers. The computer and health care industries are the primary users of the H1-B program. The annual 65,000 visa cap was met for the first time in FY 1997. This year, we expect to reach the limit in May or June -- several months before the end of the current fiscal year. Accordingly, the cap is likely to become a legislative issue in this session of Congress.

The information technology (IT) industry, along with Senator Abraham, Representative Zoe Lofgren, and other members of Congress, support either the removal of or a significant increase in the H1-B cap. Unions, other worker organizations, Senator Kennedy, Congressman Dingell, and other members of Congress are likely to oppose any increase.

A DPC/NEC working group with representatives from Labor, Commerce, State, and INS has started to meet to develop Administration policy on:

1. Steps we can take to work with industry and institutions of higher education to address the shortage of workers with IT skills;
2. Reforms of the H1-B program (e.g., a prohibition against laying off U.S. workers to replace them with foreign workers); and
3. Whether or not to increase the H1-B cap from its current level of 65,000.

We have tentatively decided that in addressing shortages of workers within the IT industry, we should focus on increased training, education and recruitment of American workers -- not on an increase in the cap for temporary foreign workers. We intend to initiate a partnership with the IT industry to make this happen. We have, in at least one similar context, used such a partnership to effectively address perceived labor shortages. We successfully addressed concerns about the shortage of shipbuilder workers in Louisiana by bringing together industry, labor, and state and local elected officials. Through this partnership, it was ultimately determined that the temporary shortage that existed within this industry was 1,000 workers, rather than the 10,000 originally claimed.

The interagency group is willing to consider, if necessary, an increase in the H1-B cap as part of an overall package that includes industry commitments to training, education and recruitment and reform of the H1-B visa program. However, we do not recommend starting our discussion with the cap increase on the table. Moreover, any increase in the H1-B cap (even a 20,000 to 35,000 increase) is not likely to address either the short or long term problem of IT worker shortages, given the projected growth in demand for workers with IT skills.

Our next step is to meet with high-tech industry executives to develop an "action plan" that builds on a series of announcements that the Departments of Commerce, Education and Labor made at a January 1998 conference in Berkeley, California.

Q. Mr. President, will your Administration grant more visas to high-skilled foreign workers who are in demand by high-tech industries?

We have made no decision on this issue. In reviewing our options, my Administration's first priority will be to ensure that American workers have the skills they need to fill these jobs, and that they have priority over any foreign workers with similar training. The growing demand for workers with high-tech skills shows how critical my agenda for life-long learning is -- HOPE scholarships to open the doors of college, tax credits for employer investment in life-long learning, and making sure that all of our children are technologically literate.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa N. Benton (CN=Melissa N. Benton/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:24-FEB-1998 14:24:21.00

SUBJECT: HUD and Justice letters on H.R. 3206, the Fair Housing Amendments Act of 1

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

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

TO: Joseph F. Lackey Jr. (CN=Joseph F. Lackey Jr./OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

TO: Alan B. Rhinesmith (CN=Alan B. Rhinesmith/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

CC: Janet R. Forsgren (CN=Janet R. Forsgren/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TEXT:

LRD is in the process of circulating two bill reports--from HUD and Justice--to the Constitution Subcommittee of House Judiciary regarding H.R. 3206, the Fair Housing Amendments Act of 1998. Both are due this

afternoon (HUD at 4, Justice at 4:30).

Because the Subcommittee will be marking the bill up tomorrow, the deadline is firm. Please call me if you have any questions or have not received the draft reports. Thanks!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Thurman (CN=Sandra Thurman/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:24-FEB-1998 20:40:49.00

SUBJECT: Talk Of The Nation

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

READ:UNKNOWN

TEXT:

Our friend the General is appearing on NPR's Talk Of The Nation tomorrow at 2:00 pm. It might be helpful if someone mentioned to him that it might be helpful if he holds the party line (ours, not his) if the subject of needle exchange comes up.

Just a thought.

Thanks.

Sandy