

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 026 - FOLDER -008

[04/03/1998 - 04/04/1998]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 09:04:03.00

SUBJECT: Unz memo

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I believe it is important to get the Unz memo to the President this weekend; staff secretary says this is our best shot to get him to read it before he gets tied up with traveling next week. I will be out of town tomorrow, so I hope we can finish it today.

I believe the ball remains in your busy court. I don't know if you've read the draft yet, nor where you are as a result of yesterday's meeting.

Let me know how you'd like to proceed.

Democratic Unveil Patients' Bill of Rights. On Tuesday, the Democratic Leadership introduced their version of the patients' bill of rights in a ceremony attended by Labor Secretary Alexis Herman. Your letter to the Leadership, which indicated strong support for this bill without providing an all out endorsement, was extremely well received. This legislation includes every patient protection recommended by your Advisory Commission on Consumer Protection and Quality and builds on these recommendations, including an enforcement provision that provides for state court-based remedies. Because the business and insurer community is petrified that opening up the door to litigation will significantly increase their costs, this provision is the most controversial aspect of the bill. In addition, the business community strongly opposes this provision because it would preempt the Employment Retirement Insurance Security Act (ERISA) protections they currently enjoy and would set a precedent for allowing states to impose regulations beyond current Federal law. This legislation also includes a compromise "whistleblower protection" provision that is acceptable to the labor community and has not raised serious objections from the hospital community. We helped draft this compromise provision, and Congressman Dingell and Senator Kennedy were extremely appreciative of our help in this regard.

On Track to Cover One Million Children at Sixth Month Anniversary of the Children's Health Insurance Program. Wednesday marked the sixth month anniversary of the Children's Health Insurance Program. Donna Shalala, in an event with Bruce Reed and Gene Sperling, announced the approval of New York and Illinois children's health plans. With these two new approvals, eight states have come into this new program and will provide health care coverage for one million children. At this event, we also released an NEC/DPC report on the rapid implementation of this new program. The report documents that an additional 15 states have already submitted proposals to HHS to expand health care coverage and that virtually every other state has a process underway to submit a proposal. We anticipate approving Michigan's children's health program next week, possibly in conjunction with a children's health outreach event the First Lady is currently scheduled to hold.

Provider Tax Legislation. On Thursday, HHS sent legislation to the Hill that will provide Secretary Shalala additional authority to significantly limit liability for states that are out of compliance with their Medicaid provider taxes if they come into compliance prospectively. As you will recall, this issue received a great deal of attention last fall after your line item veto of a BBA provision to grandfather in New York's provider taxes. You chose to veto this provision because we felt that it was inappropriate to single out New York for special treatment by explicitly allowing them to use provider taxes that other states use that HHS and OMB believe are illegal. The veto raised the issue of enforcement of all provider taxes and forced us to develop a strategy to bring states into compliance. Rather than immediately implementing enforcement actions, we called on Congress to give the Secretary more authority to waive past liability for states who come into compliance. We set an August deadline to provide incentives for the Congress to move in a timely basis because the Justice Department believes that an ongoing delay of enforcement actions is contrary to current law. However, there has been little appetite to pass such legislation in part because the Members on the Committees of Jurisdiction -- House Commerce and Senate Finance -- do not come from states with provider tax problems, and they believe the Administration should use its current authority to take action against these

states. Moreover, New York has subsequently won their court case on this issue and therefore has no incentive to support any legislation that would toughen up on provider taxes. Other states who have taxes that are out of compliance feel past history suggests that we will not strongly enforce provider tax rules, and even if we do they can delay final action for years through the courts. However, we believe that sending up legislation will place us in a better position should Congress not act before our August deadline thus forcing us to initiate inevitably unpopular enforcement actions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 3-APR-1998 09:56:30.00

SUBJECT: radio address

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

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

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

TEXT:

Draft 4/3/98 9:30am

PRESIDENT WILLIAM J. CLINTON

RADIO ADDRESS ON TOBACCO LEGISLATION

April 3, 1998

Good morning. The First Lady and I have just returned, exhausted but exhilarated, from our trip to Africa. I know that many of you traveled along with us day-by-day via the Internet and television, but I wish every American could have seen, up-close, the renewed hope and restored pride that is evident in the six countries we visited. We saw parents building futures where their children will be free from want, free from injustice, free from disease, and free to go as far as their God-given talents will allow.

This morning, I want to report on the progress we are making in our own country to free children from two of the greatest health and safety threats they face: the cruel and deadly lure of smoking and the lethal combination of drinking and driving.

Three years ago, appalled by how many children were becoming addicted to cigarettes each year, the Vice President and I committed this Administration to stopping the sale and marketing of cigarettes to children. Today, thanks to these efforts and the persistence of state Attorneys General, the public health community, and leaders in Congress, we have the best opportunity ever to pass comprehensive anti-smoking legislation that will save millions of our children from a premature, painful, and very preventable death.

This week, in an historic and resounding 19-to-1 vote, a key Senate committee gave its stamp of approval to comprehensive legislation sponsored by Senator John McCain, a Republican, and Senator Fritz Hollings, a Democrat, that would cut youth smoking by half over the next decade. This bill represents a dramatic step forward. It would raise the price of cigarettes, give the FDA full authority to regulate tobacco products, ban advertising aimed at children, and protect tobacco farmers.

We still have work to do on this legislation. Above all, we need to put in place tough penalties that will cost the tobacco industry if it continues to sell cigarettes to young people. This week, the Centers for Disease Control released a disturbing report that found that more than a third of teenagers in the U.S. now smoke. It is time to hold tobacco companies accountable: Reducing youth smoking must be everybody's bottom line.

Let's remember: This is not about politics, or money, or seeking revenge against the tobacco industry. We're not trying to put tobacco companies out of business. We want to put them out of the business of selling cigarettes to kids. This week's progress in the Senate shows we have real momentum in both parties to do just that.

Unfortunately, this week Congress took a step backward on efforts to cut down on drunk driving, a horror that has shaken nearly every American community. Republican leaders in the House blocked a full vote on an important measure to encourage states to adopt a stricter definition of drunk driving. I urge the House leadership to reconsider its action. A stricter definition of drunk driving will not prevent adults from drinking responsibly, but it will save thousands of lives.

There are fewer than 75 days remaining on Congress's legislative calendar. But as we saw this week in the Senate, when we set aside partisan differences and keep our eyes on the prize of dramatically improving our children's health, we can make remarkable progress in record time. There are still many issues to be worked out and many long nights ahead, but we have within our grasp one of the most important public health victories our nation has ever achieved. Thanks for listening.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 10:22:57.00

SUBJECT: H1B visas and Sen. Kennedy

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,

Sally talked to Kennedy yesterday. He wants to know what the Administration's bottom-line position is on the various H1B reforms, in preparation for negotiations that will take place after the break. Sally wants to have a Deputys and then a Principals meeting on this question.

I have suggested that Ceci and I put together an options paper for you and Sally that outlines each reform, what we have advocated in the past, and what our bottom line would be. To do this, we would consult with INS, Labor and Commerce. We could have a draft of this to you early next week.

Does this sound o.k.? Thanks.

Julie

WEEKLY ITEM
4/03/98

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TOBACCO FARMERS LEGISLATION INCLUDED IN MCCAIN BILL

Senators Ford, Frist, and Hollings, the three members of the Senate Commerce Committee from tobacco-growing states, joined together to include a broad-based farmer package in the McCain comprehensive tobacco legislation. The package includes a buy-out for quota holders at \$8 per pound as well as maintaining a government production-control program for those who continue to grow tobacco. It also provides assistance to tobacco-producing communities. This package would cost \$2.1 billion per year for the first ten years and \$500 million for years 11-25 for a total of \$28.5 billion. This package incorporates some changes in the flue-cured program, as advocated by Senator Robb, such as transferring quotas from inactive quota holders to actual producers. The Domestic Policy Council, along with representatives of USDA, have met with farmers' groups from Kentucky, North Carolina, South Carolina, Virginia, Tennessee, Georgia, and Florida. For the most part, tobacco farmers are very pleased with the proposal included in the McCain legislation. Senator Lugar had proposed a buy-out program for \$8 per pound which would discontinue any kind of tobacco-support program, leaving the crop in a free market. By and large, farmers have opposed Senator Lugar's proposal. Today Secretary Glickman is holding a town hall meeting with tobacco farmers in Lexington, Kentucky. Governor Patton, along with Lt. Governor Henry, Congressman Baesler, and DPC staff are also in attendance.

Note: If we hold this item for a few hours, Tom can call in with a reaction from the town hall meeting.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 12:04:14.00

SUBJECT: Tramantano on FICA/workfare notice

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Karen says she called DOL at Podesta's request a few days ago to see if they were comfortable with the notice. Kitty Higgins asked for one last chance to talk to Treasury, probably Larry Summers (presumably to talk him out of it, though I don't know if Summers is familiar with the issue). That may have happened already. I'm trying to find out. I have alerted Karl Scholz at Treasury.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 12:34:47.00

SUBJECT: VP Welfare Reform Coalition Meeting

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

TEXT:

The next meeting of the VP's Welfare Reform Coalition to Sustain Success will be either May 11 or 12 in Washington. It will focus on connecting the non-profits/community organizations in the Coalition with businesses, especially small businesses. Both SBA and the Partnership will be involved. There will be downlinks to 10 regional sites, hopefully managed by SBA, where businesses and local chapters of the coalition members will be invited to participate. This will feed well into the Partnership's cities effort since many of the cities are the same. Lee Anne is also planning a working meeting for April 9th, before the 2 p.m. federal hiring event, with key Coalition members to announce and plan for the May meeting, give them a survey to report their accomplishments, and review the proposed web site (VP may drop by). They will then be invited to attend the 2 p.m. event. With the Coalition meeting happening so close to the W2W Partnership event around May 20th, we'll need to coordinate closely. Lee Anne also made it clear the the VP would like to be involved in any announcement of the WtW competitive grants.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 12:53:54.00

SUBJECT: Possible class size event on April 10 or 14

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

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

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

CC: Jonathan H. Schnur (CN=Jonathan H. Schnur/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TEXT:

I gather you are looking for events on April 10 or 14. If health or crime fall through, it would be great to use one of those dates to roll out the class size bill. We can be ready by the 14th--and, with a little bit of notice, by the 10th

March 29, 2010

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CIR member

Dear X,

Enclosed please find the Administration's proposal for reforming the Immigration and Naturalization Service (INS) that was presented to House Appropriations Subcommittee Chairman Harold Rogers on March 31, 1998.

As our transmittal letter to Chairman Rogers notes, we believe that the Commission on Immigration Reform correctly diagnosed many of the longstanding problems that have hampered INS's ability to pursue the effective enforcement of our immigration laws and the efficient provision of immigration and citizenship services. Guided by many of the Commission's principles for reform, the Administration's restructuring plan will make federal immigration activities more effective by separating enforcement and service operations *within* INS -- from headquarters to the field -- while preserving the necessary integrating functions **for supporting and coordinating both operations.**

We understand that much remains to be done to implement this reform, and we hope to continue this dialogue with you and Members of Congress as we move forward.

Sincerely,

Elena Kagan
Deputy Assistant to the President for Domestic Policy

Attachments

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard Socarides (CN=Richard Socarides/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 3-APR-1998 15:00:25.00

SUBJECT: Needle Exchange update

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Monica M. Dixon (CN=Monica M. Dixon/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The AIDS groups met with Kevin Thurm yesterday and they apparently got the impression (according to several I spoke with) that Secretary Shalala is committed to lifting the needle exchange ban. There are varying interpretations as to when and how. Getting it done during the congressional recess has been discussed.

Several of the AIDS groups are meeting over the weekend and next week. They continue to be quite angry and are in no mood to wait. On Thursday, The President's AIDS Council will likely issue a resolution calling for Secretary Shalala's resignation.

There is also a lot of talk about efforts by the AIDS groups to tie the issue more closely to the Race Initiative..

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 15:27:21.00

SUBJECT: DPC Team Leaders Meeting

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

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

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

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

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

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

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

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

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

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

TEXT:

We will be having the DPC TEAM LEADERS meeting on Monday at 9:30 a.m. in Bruce's office.

April 3, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

RE: DPC Weekly Report

Tobacco -- MMWR Study: On April 2, in conjunction with Kick Butts Day, the CDC released a new study ("Tobacco Use Among High School Students -- United States, 1997") which found that cigarette smoking rates among high school students rose by nearly a third between 1991 and 1997, from 27.5 percent to 36.4 percent, with the sharpest increase among African American students. The study found that, overall, nearly half (48 percent) of male students and more than a third of female students reported using tobacco products in the previous month. Among white students, slightly over 50 percent of males and 40 percent of females used tobacco products within the previous month. Cigarette smoking was highest among white students (40 percent), rising by 28 percent from 1991 (31 percent). While the level of cigarette smoking among African-American students was lower than for white students, the rate increased by 80 percent between 1991 and 1997 for African-American students (from 12.6 percent to 22.7 percent). This 1997 data was derived from a survey of over 16,000 students in grades 9-12.

Tobacco -- Next Steps: Following the 19-1 vote in favor of the tobacco legislation in the Senate Commerce Committee, Senator McCain indicated that the bill is likely to go to the floor during the week of May 18th (the week preceding the Memorial Day recess). We expect that the Majority Leader will want to have some sort of leadership agreement before bringing the bill to the floor. We plan to sit down with Senator Daschle to discuss our priorities and work out an agreed-upon strategy for a negotiation with Lott (in which we expect McCain and Hollings to also be involved). We will work with the Commerce Committee staff to encourage them to incorporate technical changes in a manager's amendment, and will meet with key Senate staff to discuss our concerns regarding the penalty, antitrust, environmental tobacco smoke, and spending provisions of the McCain bill. We will also encourage House members to introduce the McCain bill in the House in order to generate momentum there.

Tobacco -- Tobacco Farmers Legislation Included in McCain Bill: Senators Ford, Frist, and Hollings, the three members of the Senate Commerce Committee from tobacco-growing states, joined together to include a broad-based farmer package in the McCain comprehensive tobacco legislation. The package includes a buy-out for quota holders at \$8 per

pound as well as maintaining a government production-control program for those who continue to grow tobacco. It also provides assistance to tobacco-producing communities. This package would cost \$2.1 billion per year for the first ten years and \$500 million for years 11-25 for a total of \$28.5 billion. This package incorporates some changes in the flue-cured program, as advocated by Senator Robb, such as transferring quotas from inactive quota holders to actual producers. The Domestic Policy Council, along with representatives of USDA, have met with farmers' groups from Kentucky, North Carolina, South Carolina, Virginia, Tennessee, Georgia, and Florida. For the most part, tobacco farmers are very pleased with the proposal included in the McCain legislation. Senator Lugar had proposed a buy-out program for \$8 per pound which would discontinue any kind of tobacco-support program, leaving the crop in a free market. By and large, farmers have opposed Senator Lugar's proposal. Today Secretary Glickman is holding a town hall meeting with tobacco farmers in Lexington, Kentucky. Governor Patton, along with Lt. Governor Henry, Congressman Baesler, and DPC staff are also in attendance.

Health Care -- Democratic Unveil Patients' Bill of Rights: On Tuesday, the Democratic Leadership introduced their version of the patients' bill of rights in a ceremony attended by Labor Secretary Alexis Herman. Your letter to the Leadership, which indicated strong support for this bill without providing an all out endorsement, was extremely well received. This legislation includes every patient protection recommended by your Advisory Commission on Consumer Protection and Quality and builds on these recommendations, including an enforcement provision that provides for state court-based remedies. Because the business and insurer community is petrified that opening up the door to litigation will significantly increase their costs, this provision is the most controversial aspect of the bill. In addition, the business community strongly opposes this provision because it would preempt the Employment Retirement Insurance Security Act (ERISA) protections they currently enjoy and would set a precedent for allowing states to impose regulations beyond current Federal law. This legislation also includes a compromise "whistleblower protection" provision that is acceptable to the labor community and has not raised serious objections from the hospital community. We helped draft this compromise provision, and Congressman Dingell and Senator Kennedy were extremely appreciative of our help in this regard.

Health Care -- On Track to Cover One Million Children at Sixth Month Anniversary of the Children's Health Insurance Program: Wednesday marked the sixth month anniversary of the Children's Health Insurance Program. Donna Shalala, in an event with Bruce Reed and Gene Sperling, announced the approval of New York and Illinois children's health plans. With these two new approvals, eight states have come into this new program and will provide health care coverage for one million children. At this event, we also released an NEC/DPC report on the rapid implementation of this new program. The report documents that an additional 15 states have already submitted proposals to HHS to expand health care coverage and that virtually every other state has a process underway to submit a proposal. We anticipate approving Michigan's children's health program next week, possibly in conjunction with a children's health outreach event the First Lady is currently scheduled to hold.

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Political Reform -- Free Television Petition: Chairman Kennard and key members of Congress reached an agreement last week in which the Federal Communications Commission (FCC) agreed to postpone rulemaking procedures on your request to establish a system of free television time and move instead to a Notice of Inquiry (NOI) next month. Although this maybe perceived by some in the press as temporary setback, in reality the NOI will not change the timetable for the implementation of a free television time rule and the strategy of going to an NOI was supported by the reform groups. The NOI will provide enough time for the Moonves-Ornstein Commission to finish their work next Fall after which the FCC can go forward with a rulemaking procedure. The key question is whether the Moonves-Ornstein Commission can develop an acceptable compromise between the broadcasters and the reformers that will build support in Congress for an FCC rulemaking.

Drunk Driving -- .08 BAC: On Tuesday, the House Rules Committee decided not to allow for a vote on the Lowey amendment -- which would set a uniform standard on impaired driving at .08 blood alcohol content (BAC) -- to pending ISTEAL legislation. This week, there were two press events held in the White House with Administration officials and Rep. Lowey to continue our push for the .08 BAC legislation. The Senate adopted identical legislation offered by Senator Lautenberg with a strong 62-32 bipartisan vote.

This will leave the .08 BAC issue as one of the outstanding issues for the conference committee to resolve.

Crime -- Assault Weapons: The Treasury Department is near completion of its report in response to your November 1997 directive on modified assault weapons. As you recall, you directed Secretary Rubin to temporarily suspend the importation of certain modified assault rifles while Treasury determined whether or not these rifles complied with the "sporting purposes test" and could be legally imported under the Gun Control Act of 1968. We expect that Treasury will recommend permanently banning from importation the 5 basic types of modified assault rifles studied, which represent more than 50 specific models. This will include AK-47- and Uzi-type models. We will release the report at an event in the Rosegarden on Monday, April 6.

Children and Families -- After-School Event: In response to a recent DPC memo on your education agenda, you indicated an interest in doing an after-school event. We are planning an event in May to: (1) announce the first grants of the 21st Century Learning Centers Program, as funded in FY 98; (2) release a joint report by the Department of Justice and the Department of Education on the effect of after-school programs on reducing crime and improving school performance; and (3) announce the pilot cities for the Administration's effort to coordinate federal funding and oversight of after-school programs, which you announced as part of your child care proposal. Ideally, this event would take place at a high quality after-school program (like the one at Temple University you suggested), or a program that will receive a 21st Century Learning Centers grants. This event will help demonstrate how after-school programs can keep children safe and improve their performance in school, which will in turn help build support for this initiative in the appropriations process. At this time, the Department of Education is working closely with Senator Jeffords to ensure his strong support of our proposed expansion of the program in the appropriations process.

Welfare-- Agreement Reached to Restore Food Stamps to Legal Immigrants: A conference committee reached agreement last week on a plan to restore \$818 million over five years in food stamps to legal immigrants. The President's budget proposed to restore \$2.5 billion for this purpose. However, the bill's prospects for passage on the Senate floor are somewhat clouded. Senator Lott has now put a hold on the bill because he wishes to use the bill's funding sources for transportation purposes.

The conference agreement reflects the Administration's request for refugees and asylees, the Hmong, and the disabled. For refugees and asylees, it would lengthen from 5 to 7 years the period of time that they are eligible for food stamps after they arrive in the U.S., giving them more time to naturalize. Hmong immigrants from Laos who assisted the U.S. in Vietnam and then came to the U.S. War would remain eligible for food stamps. Disabled legal immigrants who entered the country before welfare reform was passed and who became disabled after they entered the country would also retain food stamps.

The agreement differs from the Administration's proposal in two respects. First, it will provide food stamps for children who were here when the law was signed, but not their parents. The President's budget would cover both children and their parents, and both those here when the law was signed and those who arrived after. Second, the agreement will retain eligibility for the elderly who were 65 or older and in the U.S. when the welfare law was signed. Our budget proposal would have gone further, also providing benefits to those who were in the country when the law was signed and who subsequently turn 65.

A major source of funding for these restorations is a cutback in funding for food stamps administrative costs, based on the rationale that states are able to claim these costs twice, under both food stamp and the TANF block grant. States dispute this rationale.

Welfare -- High Performance Bonus: Rep. Shaw has taken issue with our formula for distributing high performance bonus funds under TANF because it does not include any measure of state success in improving family formation, including increasing two-parent families and reducing out-of-wedlock pregnancies. In developing our measures of success, we chose to focus on work-oriented measures -- job entry, retention, and gain in earnings -- partly because of the difficulty of developing family formation measures that fairly measure state performance. Shaw charges that our approach is at odds with the purpose of the high performance bonus under the statute. We met with his staff this week to discuss potential family formation measures and the problems with each one, and will meet again soon.

Disability Issues -- Legislative Action on Disability Issues: There was action on the Hill in the past two weeks on the disability community's two highest priorities. We are sorting out whether the Administration will be able to support these initiatives, in full or in part.

First, the House held a hearing on how to allow more people with disabilities to live in their communities instead of nursing homes. Disability advocates, led by the group ADAPT, are pushing legislation known as CASA. Advocates do not expect CASA to become law because of its cost (\$10-20 billion per year), but they hope it will start a dialogue on the subject. HHS witnesses testified that we have concerns about the cost, but said we are pushing to achieve the goals of the legislation through more modest steps such as demonstrations. Speaker Gingrich testified in favor of this concept, although without endorsing CASA itself. The disability community is disappointed that we have not been more supportive. We have proposed that you send a letter to Speaker Gingrich describing what progress HHS has made and stating your agreement with the legislation's goals, but OMB has expressed reservations about such a letter.

Second, legislation is moving in both houses to encourage people with disabilities on the SSDI or SSI rolls to return to work. Sens. Jeffords and Kennedy just introduced a bill in the Senate, while Reps. Bunning and Kennelly's bill was just marked up in the House. The sticking point in both of these proposals is that they would allow people to retain Medicare or Medicaid after they return to work, which HHS and OMB are both inclined to oppose because of costs. Our opposition to this legislation would be a major disappointment to the community,

particularly in the wake of your signing the executive order to help increase employment of people with disabilities. We are working with HHS and OMB to identify what portions of these bills we are able to support and what alternatives we may have to offer.

Welfare Reform -- Federal Hiring Initiative: The Vice President will participate in an event on April 9th to mark the one-year anniversary of the Cabinet meeting where you asked Federal agencies to develop plans to hire welfare recipients. The initiative is proceeding well. Agencies have hired nearly 3,700 welfare recipients and are on track to meet the government-wide goal of 10,000 by 2000. The VP will announce these latest numbers, release an annual report highlighting agency accomplishments and lessons learned (the report includes a brief message from you), encourage companies who do business with the federal government to do their part, and urge cabinet members to leverage these commitments with the contractor community. The VP will be joined by OPM Director Lachance, Deputy Transportation Secretary Downey, at least one business from the Welfare to Work Partnership Board (United's CEO encouraged the federal government to reach out to our contractors just as they have reached out to their supplier network), and one former welfare recipient. Letters to each Cabinet member have been prepared for your signature thanking them for leadership on this issue and encouraging them to continue supporting this initiative within their agency, stakeholder groups, and contractor community.

Welfare Reform -- APWA Resolution: Last week, the American Public Welfare Association passed a resolution urging Congress to enact your two FY 99 budget initiatives related to welfare reform: the \$100 million a year Access to Jobs welfare to work transportation initiative and the \$283 million a year proposal to provide 50,000 housing vouchers to help people leaving welfare to get or keep a job. The Access to Jobs initiative is now authorized at \$150 million in both the House and Senate ISTEA reauthorization bills, although the House still contains a 10 project cap. While there has been considerable support for linking housing vouchers to welfare-to-work, HUD expects that it will be an uphill fight to get funding for these vouchers given larger Congressional concerns regarding Section 8. We are working with HUD, DOT, HHS, and DOL on a joint secretarial event to rally support for both initiatives in the appropriations process.

Education -- Education Opportunity Zones: Rep. Clay is planning to introduce your Education Opportunity Zones bill on April 1, before the Congressional recess. We are planning an event that will focus on this proposal later in April, possibly in New York, Los Angeles or San Francisco.

Education -- National Board for Professional Teaching Standards: We have been working very closely with the NBPTS to devise a strategy for securing continued federal support in light of Goodling's move last week to end federal funding for the Board. Gov. Hunt and the Board President Jim Kelley have been very pleased to learn of your strong support in the face of this threat. Because the Senate Labor and Human Resources Committee will mark up the Higher Education Act this week, we have worked to ensure

that a provision eliminating the Board's funding will not be included in the Senate version.

Once the mark-up is completed, we believe that a high profile veto threat will be an appropriate and effective step. We believe that your scheduled event with the National Teacher of the Year at the end of April, right after Congress reconvenes, will be a good time to issue a veto threat.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Robin Leeds (CN=Robin Leeds/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 3-APR-1998 15:36:57.00

SUBJECT: A GREAT VICTORY

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

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

TO: Lucia F. Gilliland (CN=Lucia F. Gilliland/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

TO: Jodi R. Sakol (CN=Jodi R. Sakol/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

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

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

CC: Sondra L. Seba (CN=Sondra L. Seba/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Tania I. Lopez (CN=Tania I. Lopez/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

TEXT:

Our office would like to thank you for making yesterday's Equal Pay announcement possible. We have gotten incredibly positive feedback from our groups and our message has travelled far and wide via press and grassroots activities in 650 cities. We've come a long way on this issue and certainly achieved our goal of "more than just a proclamation"!

We have plans to celebrate and we'd like you to join us. We'll let you know where and when. Thanks again for making EQUAL PAY DAY count for working women across America!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 16:52:11.00

SUBJECT: How's this rewrite

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

READ:UNKNOWN

CC: Cynthia Dailard (CN=Cynthia Dailard/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Tobacco -- MMWR Study: On April 2, in conjunction with Kick Butts Day, the CDC released a new study ("Tobacco Use Among High School Students -- United States, 1997") which found that cigarette smoking rates among high school students rose by nearly a third between 1991 and 1997, from 27.5 percent to 36.4 percent, with the sharpest increase among African American students. Cigarette smoking was highest among white students (40 percent), rising by 28 percent from 1991 (31 percent). While the level of cigarette smoking among African-American students was lower than for white students, the rate increased by 80 percent between 1991 and 1997 (from 12.6 percent to 22.7 percent). Overall, the study found that nearly half of male students and more than a third of female students used cigarettes, cigars, or smokeless tobacco during the previous month. This 1997 data was derived from a survey of over 16,000 students in grades 9-12.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 17:20:11.00

SUBJECT: FICA/workfare notice: Rubin and Herman happened to have a meeting today...

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

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

TEXT:
with John Sweeney of the AFL on steel, and apparently Sweeney cornered Rubin after the meeting on FICA/workfare. I don't know how Rubin responded, but Karl Scholz had given Rubin talking points on this based on my alert to him. I will follow up and get a better sense of what happened.

I doubt DOL will give this a green light unless they get the word that people here want it to go, so I think it still rests with Podesta.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 18:00:41.00

SUBJECT: 39K MN documents

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:

fyi

----- Forwarded by Cynthia A. Rice/OPD/EOP on 04/03/98
06:00 PM -----

Jerold R. Mande

04/03/98 05:59:22 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc: Barbara D. Woolley/WHO/EOP, Cynthia Dailard/OPD/EOP, Mary L. Smith/OPD/EOP, Glen M. Weiner/WHO/EOP

Subject: 39K MN documents

I need to correct what I told you about the MN documents. The MN trial team has not had a chance to review the documents. At 5pm Monday, unless Scalia says otherwise, the industry must turn over the documents to the MN lawyers. MN has an experienced team standing by to review the documents as quickly as possible. MN has the authority to make the documents public without introducing them into evidence first, but may decide to hold certain documents for use in the trial if doing so would benefit their case.

April 3, 1998

MEMORANDUM FOR THE CHIEF OF STAFF

Automated Records Management System
Hex-Dump Conversion

FROM: Bruce Reed
SUBJECT: Monday's Meeting with Birch Bayh

Former Senator Birch Bayh has wanted to meet with you for some time to discuss tobacco. In his initial letter, he said that he believes that "men and women of good faith in both political parties are prepared to make the compromises necessary to secure an accord. This will require the willingness to 'take a risk' politically to accomplish such a major break-through. Trust and reliance are fundamental ingredients in this regard. It is toward how best to ensure these elements that I believe a conversation between the two of us might prove helpful."

You should know the Senator Bayh's firm, Bayh, Connaughton & Stewart, have worked since last November as lobbyists for Richard Scruggs, the plaintiffs' attorney from Mississippi who worked with Mike Moore to launch the attorney generals' suits against the tobacco industry. (Scruggs is also Senator Lott's brother in law.) The attorneys' general worked hard to help get legislation moving on the Hill. As you know, they are partial to the deal they negotiated last June. Several times during our Commerce Committee negotiations, they raised concerns about whether the industry would walk away from legislation that raises prices by \$1.10 per pack and imposes penalties on companies that continue to sell cigarettes to children. If Bayh raises these concerns, you may want to say:

- The McCain bill represents a dramatic progress. It shows that we have real momentum in both parties to pass comprehensive tobacco legislation this year.
- As the President said in his radio address on Saturday, we're not trying to put the tobacco companies out of business; we want to put them out of the business of selling cigarettes to kids.
- That's why we need to increase the price per pack by at least \$1.10, put in place tough penalties that will cost the tobacco industry if it continues to sell cigarettes to young people, provide the FDA full authority to regulate tobacco products, and ban advertising aimed at children.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael J. Sorrell (CN=Michael J. Sorrell/OU=PIR/O=EOP [PIR])

CREATION DATE/TIME: 3-APR-1998 19:19:30.00

SUBJECT:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

READ:UNKNOWN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MEMORANDUM FOR THE PRESIDENT

FROM: JUDITH A. WINSTON

THROUGH: ERSKINE BOWLES
SYLVIA MATHEWS

DATE: April 3, 1998

SUBJECT: PRESIDENT'S INITIATIVE ON RACE WEEKLY REPORT
MARCH 28 - APRIL 3

ADVISORY BOARD ACTIVITIES

Columbia University. Reverend Suzan Johnson Cook, at the bequest of the Chaplain of Columbia University, spoke to a select group of approximately 20 students about the intersection of race and religion.

Stanford University. Angela Oh is participating in the Stanford Law School forum: "*Where Do We Go From Here- A Colloquium on Race in the 21st Century*". Ms. Oh's panel will address complex issues which compound the divisiveness between communities of color.

OFFICE OF THE EXECUTIVE DIRECTOR

Recruiting New Teachers. On April 4, I will deliver the keynote address at the Sixth National Conference of Recruiting New Teachers, Inc. The conference is being held in Chicago, Illinois, and will be attended by more than 300 teachers, teacher educators, principals, and superintendents from across the country. The theme of the conference is "Meeting America's Teacher Recruitment, Development, and Diversity Challenges." Following my address, Mickey Ibarra and I will participate in a community forum on teaching and equal opportunity in America.

Statewide Days of Dialogue. Ten Governors have committed to participate in the launching of Statewide Days of Dialogue on April 30. One hundred and three YWCA local affiliates in 37 states and the District of Columbia have committed to participate.

One America Dialogue Guide. We have mailed copies of the One America Dialogue Guide to over 500 of the campuses which are participating in the Campus Week of Dialogue and to approximately 400 local YWCA affiliates, one hundred and three of which have thus far committed to participate in the Statewide Days of Dialogue.

Religious Leaders Forum. The religious leaders forum scheduled for April 15 in New Orleans has been postponed. We have tentatively rescheduled the forum for May 21.

Campus Week of Dialogue. As we enter our final weekend of preparation, over 500 schools have responded to our invitation to participate in the Campus Week of Dialogue from April 6-9. We will be forwarding to you a separate memorandum detailing the activities of this effort.

ESPN Conversation About Race. We continue to work with representatives of ESPN to plan the Conversation About Race. The show will air live on April 14. We are also organizing watch parties across the nation.

FEDERAL AGENCY ACTIVITIES

Department of Treasury

Race Initiative. On March 31, the Department of the Treasury held the second in a series of seminars on the economics of race. Robert Fairlie, an economist at the University of California at Santa Cruz, spoke on race, immigration, and self-employment.

Department of Agriculture

Family Farmers. To date this fiscal year, USDA has provided \$412 million in 8,652 direct loans, and \$691 million in 4,970 guaranteed loans to family farmers in rural America. In addition, USDA has provided \$86 million in direct and guaranteed loans to 1,550 minority and women farmers.

Civil Rights Initiative. On March 31, Secretary Glickman spoke to the editorial board of Johnson Publications about USDA's Civil Rights Initiative and the President's Initiative on Race.

Native American Outreach. Five USDA agencies have concluded an agreement with the inter-tribal agricultural council for a five year outreach project to increase Native American participation in USDA county and state committees.

Minorities in Agriculture. On April 3, Under Secretary Lyons spoke to the

National Society of Minorities in Agriculture, Natural Resources, and Related Sciences in Des Moines, Iowa.

Department of Commerce

MBDA Director. On March 30, Courtland Cox's appointment as Director of the Minority Business Development Agency (MBDA) was finalized.

MBDA/SBA Cooperation. On March 25, MBDA Director Cox met with SBA Administrator Alvarez to discuss ways in which MBDA and SBA could cooperate on minority business initiatives, in order to respond to Congress' mandate that the two agencies eliminate any duplication of efforts and improve effectiveness of their assistance to minority firms. They have created a joint task force to develop a program for an on-line management and technical assistance center, using the Internet to incorporate a variety of other public and private resources.

Hispanic Advancement. On April 2, Secretary Daley met with representatives of the Coalition for Hispanic Advancement.

Department of Health and Human Services

Racial and Ethnic Health Disparities. On April 3, Dr. Michael Trujillo, Director of Indian Health Service, participated in a radio interview on the President's Racial and Ethnic Health disparities initiative. Dr. Trujillo's interview was carried on Native America Calling which is distributed on a national basis by *National Public Radio* and the American Indian Radio on Satellite Network. It is carried by 23 public/tribal radio stations in 11 states.

Department of Housing and Urban Development

Blackfeet Reservation Housing. On March 30, Secretary Cuomo, U.S. Attorney for Montana Matteucci, and a HUD Special Agent in Charge, announced that a federal indictment was unsealed under which eleven individuals and two corporations are charged with bribery, theft, and fraud involving a program that brought \$5.5 million in housing assistance to the Blackfeet Indian Reservation in Montana through HUD's HOME program.

Department of Transportation

Black Business Council. On April 2, FHWA Deputy Administrator Jeff will speak at the National Black Business Council's trade mission in Washington, DC.

Department of Energy

Hispanic Intern Program. Two program offices at DOE have collaborated to establish a Fossil Energy Hispanics Intern Program, the first Hispanic-focused intern program at the Agency. The internship program will be conducted at the Fossil Energy field offices and begins on June 1. Students will receive ten weeks of training.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-APR-1998 20:22:16.00

SUBJECT: Tobacco grower and quota owners

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Rob Mangus from Ford's office says they do not want the legislation to allow for quota owners who also grow tobacco to be able to get the \$8 buy out plus be eligible for the transition assistance. However, we did a conference call with Dallas Smith tonight who thinks that's what the actual legislative language does. We will try and reach Senator Robb's office over the weekend to see what their understanding of the language is.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-APR-1998 13:16:22.00

SUBJECT: Re: bayh memo

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

READ:UNKNOWN

TEXT:

Thanks Elena

Banning the Importation of Modified Assault Weapons April 6, 1998

Announcement: Today, in response to a previously issued directive, the President announced that the Treasury Department had completed its review of more than 50 specific modified assault weapons, and determined that those rifles that accept large capacity military magazines (LCMM rifles) are not importable. This decision will affect up to 1.5 million rifles.

- On November 15, 1997, in his radio address to the nation, President Clinton announced that the Treasury Department was temporarily suspending the importation of certain modified assault weapons to review whether or not these weapons complied with current law. Today, the Secretary of the Treasury informed the President that most of the weapons studied should be permanently banned from importation.
- Under current law (the 1968 Gun Control Act), the Treasury Department has the obligation to restrict the importation of firearms unless they are determined to be "particularly suitable for or readily adaptable to sporting purposes." After taking several months to review the weapons in question, the Treasury Department has concluded that modified semiautomatic assault rifles that accept large capacity military magazines -- or LCMM rifles -- do not meet the sporting purposes test and are not importable.
- Since passage of the 1968 Gun Control Act, Administrations of both parties have repeatedly invoked this authority to ensure that only legitimate sporting weapons are brought into the country. In 1968, it was used to ban the importation of Saturday Night Specials and other small and inexpensive handguns; in 1984 and 1986, to ban the Striker-12 and USAS-12 riot control shotguns; in 1989, to ban 43 semiautomatic assault rifles; and in 1993, to propose a ban on certain assault pistols that were ultimately prohibited by the 1994 Assault Weapons Ban.
- The more than 50 firearms impacted by today's decision are modified versions of military assault weapons that were previously banned by the Bush Administration in 1989 or the 1994 Assault Weapons Ban and which are capable of accepting LCMMs with more than 10 rounds of ammunition. Most of these weapons are models based on the AK 47 assault rifle, but also included are variants of the Uzi, FN-FAL, HK 91 and 93, and SIG SG550.
- Up to 1.5 million firearms whose importation had been suspended during the review may be affected by this decision. Importers will be notified in writing and given an opportunity to respond.

April 4, 1998

MODIFIED ASSAULT WEAPONS EVENT

DATE: April 6, 1998
LOCATION: Rose Garden
BRIEFING: 10:15 a.m, Oval Office
EVENT: 10:45 a.m. to 11:15 a.m.
FROM: Bruce Reed and Rahm Emanuel

I. PURPOSE

To announce that the Treasury Department has completed its review of more than 50 specific modified assault weapons, and determined that those rifle that accept large capacity military magazines (or LCMM rifles) are not importable. This decision will affect up to 1.5 million assault-type.

II. BACKGROUND

You will speak to approximately 50 individuals from the law enforcement, gun control, and victims communities, as well as Members of Congress, on the importation of modified semiautomatic assault rifles.

In your November 15, 1997, radio address to the nation you announced that the Treasury Department was temporarily suspending the importation of certain modified assault weapons to review whether or not these weapons complied with current law. Today, Secretary Rubin will recommend that most of the weapons studied be permanently banned from importation.

Under the 1968 Gun Control Act, the Treasury Department has an obligation to restrict the importation of firearms unless they are determined to be "particularly suitable for or readily adaptable to sporting purposes." After taking several months to review the weapons in question, the Treasury Department has concluded that modified semiautomatic assault rifles that accept large capacity military magazines -- or LCMM rifles -- do not meet the sporting purposes test and thus are not importable. LCMMs are those magazines that contain more than 10 rounds of ammunition and which were prohibited by the 1994 Crime Act.

Since passage of the 1968 Gun Control Act, Administrations of both parties have repeatedly invoked this authority to ensure that only legitimate sporting weapons are brought into the country. In 1968, it was used to ban the importation of Saturday Night Specials and other small and inexpensive handguns; in 1984 and 1986, to ban the Striker-12 and USAS-12 riot control shotguns; in 1989, to ban 43 semiautomatic assault rifles; and in 1993, to propose a ban on certain assault pistols that were ultimately prohibited by the 1994 Assault Weapons Ban.

The more than 50 firearms impacted by the announcement on Monday are modified versions of military assault weapons that were previously banned by the Bush Administration in 1989 or the 1994 Assault Weapons Ban and which are capable of accepting LCMMs with more than 10 rounds of ammunition. Most of these weapons are models based on the AK-47 assault rifle, but also included are variants of the Uzi, FN-FAL, HK 91 and 93, and SIG SG550.

As a result of the recommendation, outstanding permits to import more than 600,000 of these firearms will be revoked, pending a 30-day appeal process. Pending applications for permits to import more than one million of these firearms will be denied.

III. PARTICIPANTS

Briefing Participants

Bruce Reed
Rahm Emanuel
Secretary Rubin
Attorney General Reno
Under Secretary Ray Kelly
Karen Popp
Jose' Cerda

Event Participants

The President
The Vice President
The Secretary of the Treasury
The Attorney General
15 local law enforcement officers

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

10:15 a.m. THE PRESIDENT and THE VICE PRESIDENT receive briefing in the Oval Office.

10:35 a.m. THE PRESIDENT and the VICE PRESIDENT greet law enforcement officers in the Oval Office.

10:45 a.m. THE PRESIDENT and the VICE PRESIDENT are announced into the Rose Garden accompanied by Secretary Rubin, the Attorney General, and law enforcement officers.

PROGRAM BEGINS

Automated Records Management System
Hex-Dump Conversion

The VICE PRESIDENT gives welcoming remarks and introduces Attorney General Reno.

Attorney General Reno gives remarks and introduces Secretary Rubin.

Secretary Rubin gives remarks and introduces THE PRESIDENT.

THE PRESIDENT makes remarks.

11:15 a.m. THE PRESIDENT and THE VICE PRESIDENT depart.

VI. REMARKS

To be provided by Jeff Shesol.

VII. ATTACHMENTS

The final Treasury report will be available on Monday morning.